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The *California Regulatory Notice Register* is an official state publication of the Office of Administrative Law containing notices of proposed regulatory actions by state regulatory agencies to adopt, amend or repeal regulations contained in the California Code of Regulations. The effective period of a notice of proposed regulatory action by a state agency in the *California Regulatory Notice Register* shall not exceed one year [Government Code § 11346.4(b)]. It is suggested, therefore, that issues of the *California Regulatory Notice Register* be retained for a minimum of 18 months.

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## PROPOSED ACTION ON REGULATIONS

*Information contained in this document is published as received from agencies and is not edited by the Office of State Publishing.*

### TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

NOTICE IS HEREBY GIVEN that the Fair Political Practices Commission, pursuant to the authority vested in it by Sections 82011, 87303 and 87304 of the Government Code to review proposed conflict of interest codes, will review the proposed/amended conflict of interest codes of the following:

#### CONFLICT OF INTEREST CODES

#### AMENDMENT

#### STATE AGENCY:

Department of Fair Employment and Housing

A written comment period has been established commencing on **May 9, 2003**, and closing on **June 23, 2003**. Written comments should be directed to the Fair Political Practices Commission, Attention Kevin S. Moen, PhD, 428 J Street, Suite 620, Sacramento, California 95814.

At the end of the 45-day comment period, the proposed conflict of interest code(s) will be submitted to the Commission's Executive Director for his review, unless any interested person or his or her duly authorized requests, no later than 15 days prior to the close of the written comment period, a public hearing before the full Commission. If a public hearing is requested, the proposed code(s) will be submitted to the Commission for review.

The Executive Director or the Commission will review the above-referenced conflict of interest code(s), proposed pursuant to Government Code Section 87300, which designate, pursuant to Government Code Section 87302, employees who must disclose certain investments, interests in real property and income.

The Executive Director or the Commission, upon his or its own motion or at the request of any interested person, will approve, or revise and approve, or return the proposed code(s) to the agency for revision and re-submission within 60 days without further notice.

Any interested person may present statements, arguments or comments, in writing to the Executive Director of the Commission, relative to review of the proposed conflict of interest code(s). Any written comments must be received no later than **June 23, 2003**. If a public hearing is to be held, oral comments may be presented to the Commission at the hearing.

#### COST TO LOCAL AGENCIES

There shall be no reimbursement for any new or increased costs to local government which may result from compliance with these codes because these are not new programs mandated on local agencies by the codes since the requirements described herein were mandated by the Political Reform Act of 1974. Therefore, they are not "costs mandated by the state" as defined in Government Code Section 17514.

#### EFFECT ON HOUSING COSTS AND BUSINESSES

Compliance with the codes has no potential effect on housing costs or on private persons, businesses or small businesses.

#### AUTHORITY

Government Code Sections 82011, 87303 and 87304 provide that the Fair Political Practices Commission as the code reviewing body for the above conflict of interest codes shall approve codes as submitted, revise the proposed code and approve it as revised, or return the proposed code for revision and re-submission.

#### REFERENCE

Government Code Sections 87300 and 87306 provide that agencies shall adopt and promulgate conflict of interest codes pursuant to the Political Reform Act and amend their codes when change is necessitated by changed circumstances.

#### CONTACT

Any inquiries concerning the proposed conflict of interest code(s) should be made to Kevin S. Moen, PhD, Fair Political Practices Commission, 428 J Street, Suite 620, Sacramento, California 95814, telephone (916) 322-5660.

#### AVAILABILITY OF PROPOSED CONFLICT OF INTEREST CODES

Copies of the proposed conflict of interest codes may be obtained from the Commission offices or the respective agency. Requests for copies from the

Commission should be made to Kevin S. Moen, PhD, Fair Political Practices Commission, 428 J Street, Suite 620, Sacramento, California 95814, telephone (916) 322-5660.

## TITLE 10. DEPARTMENT OF CORPORATIONS

### NOTICE IS HEREBY GIVEN

The California Corporations Commissioner ("Commissioner") proposes to amend Title 10, Chapter 3 of the California Code of Regulations under the CORPORATE SECURITIES LAW OF 1968 by adopting Section 250.70 relating to administrative penalties criteria.

### PUBLIC HEARING

No public hearing is scheduled. Any interested person or his or her duly authorized representative may request, in writing, a public hearing pursuant to Section 11346.8(a) of the Government Code. The request for hearing must be received by the Department of Corporations' ("Department") contact person designated below no later than 15 days prior to the close of the written comment period.

### WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Department of Corporations, addressed to Kathy Womack, Office of Law and Legislation, Department of Corporations, 1515 K Street, Suite 200, Sacramento, CA 95814-4052, no later than 5:00 p.m., June 23, 2003. Written comments may also be sent to Kathy Womack (1) via electronic mail at [regulations@corp.ca.gov](mailto:regulations@corp.ca.gov) or (2) via fax (916) 322-5875.

### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

As California's Investment and Financing Authority, the Department of Corporations administers and enforces the Corporate Securities Law of 1968 ("CSL"). Corporations Code Section 25252 authorizes the Department to assess administrative penalties, based on specified violations.

The Commissioner proposes to adopt rules specifying the uniform criteria used by the Department of Corporations ("Department") to base the assessment of administrative penalties under the CSL. By outlining uniform criteria, this rulemaking helps ensure that administrative penalties are not assessed in an arbitrary and capricious manner.

This regulation is necessary because, although the CSL authorizes administrative penalties based on violations, existing law does not expressly include the

factors that the Commissioner may consider in assessing administrative penalties. Nor does existing law establish guidelines for determining the amount of a penalty. The proposed regulation will inform licensees and the public about the factors that may prompt administrative penalties, as well as the factors that affect the size of the penalties. In addition, the proposed regulation will promote fairness by providing uniform guidelines when assessing administrative penalties.

Section 250.70: The proposed adoption of Section 250.70 adds criteria for the assessment of administrative penalties. In determining the amount of any administrative penalty levied or assessed against any person for each violation of any statute, rule, or order under the CSL, the Commissioner may consider a variety of factors including, but not limited to, the following:

- The nature and seriousness of the violations including the actual or potential harm to the public or consumer.
- The number and persistence of violations and the length of time over which they occurred.
- The person's history of violations or complaints with the Department, other agencies or regulators.
- Whether the person's conduct was negligent, willful, or knowing, and the extent to which it was negligent, willful, or knowing.
- The person's financial condition including net worth and revenue.
- The nature and extent to which the person cooperated with the Department's investigation.
- Whether the person aggravated or mitigated any injury or damage caused by the violations.
- The nature and extent to which the person has taken corrective action to ensure that violations will not reoccur.

### AUTHORITY

Section 25610, Corporations Code.

### REFERENCE

Section 25252 Corporations Code.

### AVAILABILITY OF MODIFIED TEXT

The text of any modified regulation, unless the modification is only non-substantial or solely grammatical in nature, will be made available to the public at least 15 days prior to the date the Department adopts the regulation. A request for a copy of any modified regulation should be addressed to the contact person designated below. The Commissioner will accept written comments on the modified regulations for 15 days after the date on which they are made

available. The Commissioner may thereafter adopt, amend or repeal the foregoing proposal substantially as set forth above without further notice.

#### AVAILABILITY OF INITIAL STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS/INTERNET ACCESS

The express terms of the proposed action may be obtained upon request from any office of the Department. Request Document PRO 21/02-B. An initial statement of reasons for the proposed action containing all the information upon which the proposal is based is available from the contact person designated below. Request Document PRO 21/02-C. These documents are also available at the Department's Website [www.corp.ca.gov](http://www.corp.ca.gov). As required by the Administrative Procedure Act, the Office of Law and Legislation maintains the rulemaking file. The rule-making file is available for public inspection at the Department of Corporations, Office of Law and Legislation, 1515 K Street, Suite 200, Sacramento, California.

#### AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, the Final Statement of Reasons will be available and copies may be requested from the contact person named in this notice or may be accessed on the website listed above.

#### CONSIDERATION OF ALTERNATIVES

In accordance with Government Code Section 11346.5, subdivision (a)(13), the Department must determine that no reasonable alternative it considered or that has otherwise been identified and brought to the attention of the Department would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

#### FISCAL IMPACT

- Cost or Savings to any State Agency: None.
- Direct or Indirect Costs or Savings in Federal Funding to the State: None.
- Other nondiscretionary cost or savings are imposed on local agencies: None.

#### DETERMINATIONS

The Commissioner has made an initial determination that the proposed regulatory action:

- Does not have an effect on housing costs.

- Does not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.
- Does not impose a mandate on any local agency or school district or a mandate that is required to be reimbursed pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.
- Does not significantly affect (1) the creation or elimination of jobs within the State of California; (2) the creation of new businesses or the elimination of existing businesses within the State of California; (3) the expansion of businesses currently doing business within the State of California.

#### COST IMPACTS ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

The proposed regulatory action primarily outlines the uniform standard criteria used by the Department to base the assessment of administrative penalties under the CSL. The Department is not aware of any adverse cost impacts that a representative person or business would necessarily incur in reasonable compliance with the proposed action.

Cost to Local Agencies and School Districts required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code: None.

No other nondiscretionary cost or savings are imposed on local agencies.

#### EFFECT ON SMALL BUSINESS

It has been determined that the adoption of these regulations will not affect small business. This proposed adoption of section 250.70 merely provides notification of the current uniform standards used by the Department when assessing already existing administrative penalties.

#### CONTACT PERSON

Nonsubstantive inquiries concerning this action, such as requests for copies of the text of the proposed regulations or questions regarding timelines or rule-making status, may be directed to Kathy Womack at (916) 322-3553. The backup contact person is Karen Fong at (916) 322-3553. Inquiries regarding the substance of the proposed regulation may be directed to Timothy L. Le Bas, Deputy Commissioner and General Counsel. Department of Corporations, 1515 K Street, Suite 200, Sacramento, California 95814-4052. (916) 322-3553.



## TITLE 11. COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING

NOTICE OF PROPOSED REGULATORY  
ACTION: AMEND COMMISSION  
REGULATIONS 1005, 1080, 1081, AND  
COMMISSION PROCEDURE D-1

### PC 832 ARREST AND FIREARMS COURSE, RACIAL PROFILING TRAINING, AND THE DOCUMENT, *TRAINING AND TESTING SPECIFICATIONS FOR PEACE OFFICER BASIC COURSES*

Notice is hereby given that the Commission on Peace Officer Standards and Training (POST), pursuant to the authority vested by Sections 13503 of the Penal Code (powers of the Commission on POST) and Section 13506 (authority for Commission on POST to adopt regulations), and in order to interpret, implement and make specific Sections 13510 (authority for the Commission on POST to adopt and amend rules establishing minimum standards for California local law enforcement officers) and 13510.5 of the Penal Code (authority for the Commission on POST to adopt and amend standards for certain other designated California peace officers), proposes to adopt, amend or repeal regulations in Chapter 2 of Title 11 of the California Code of Regulations.

#### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

This is a proposal to amend Regulations 1005, 1080 and 1081, Procedure D-1 and the document, *Training and Testing Specifications for Peace Officer Basic Courses*. The proposed changes include:

#### Adding verbs to all of the learning objectives in the training and testing specifications

Historically, the Regular Basic Course curriculum has been comprised of either topics or performance objectives which have included a verb to describe what the student was expected to do. Currently, the learning objectives in the training and testing specification document do not contain verbs. During the final development stages of the training and testing specification document, the Consortium of Academy Directors and Coordinators appointed a Test Review Panel to work with POST's Standards & Evaluation Services Bureau in a project to align all basic course written tests with the student workbooks used in the Regular Basic Course. As part of its work, the testing panel evaluated each learning objective to determine the level of mastery to which students should be held accountable for achieving the objective. The testing panel used a 3-level classification to make its judgments about mastery. These levels were derived

from Bloom's Taxonomy of Educational Objectives where each level is characterized by a discrete set of verbs.

Now that the written tests in the Regular Basic Course have been aligned with the material in the student workbooks, staff proposes adding verbs to the training and testing specifications. Adding verbs will:

- Convey the intent and level of training to both instructors and students; giving both a clearer picture of student expectations at the conclusion of training.
- Provide an efficient framework for curriculum development, review and modification
- Provide a clearer direction for test development and standard setting.

#### Adding racial profiling curriculum to Learning Domain #42—Cultural Diversity/Discrimination

Following a public hearing on April 10, 2002, the Commission approved a five-hour initial in-service racial profiling training curriculum pursuant to Penal Code Section 13519.4(f). At that time, staff reported that it was our intent to add the initial racial profiling curriculum into the Regular Basic Course. Adding legislatively mandated training curriculum to the Regular Basic Course has been a long-standing practice of the Commission in order to eventually eliminate the need for a mandated in-service training course.

Upon review of the Commission approved five-hour initial in-service racial profiling curriculum, a committee of subject matter experts determined that the curriculum should be added to Learning Domain #42, Cultural Diversity/Discrimination. The curriculum is the same curriculum the Commission approved for the in-service course with the exception of modifying a few classroom activities for entry-level application. Since Learning Domain #42 is taught in the Specialized Investigators' Basic Course and all legislative mandates are covered in the Requalification Course, the racial profiling curriculum has been added to those courses as well.

#### Translating the P.C. 832 performance objective curriculum language to training specification learning objective language and updating the P.C. 832 curriculum

In 1994, the Commission approved the curriculum translation from performance objectives to training specifications for the Regular Basic Course. Since that date, the Basic Training Bureau staff has been progressively working on the same translation for other basic courses of training. To date, the P.C. 832 Arrest and Firearms Course is the only course still in performance objective language.

Effective July 1, 1999, the Regular Basic Course—Modular Format was implemented. The P.C. 832 Arrest and Firearms Course is the first course in the 2-part Level III Module that must be successfully completed before proceeding to the subsequent modules. Since successful completion of all three modules in the Modular Format equates to completion of the Regular Basic Course training requirement, staff had to show that the entire Regular Basic Course curriculum was covered in the Modular Format. In order to comply with this requirement, staff did a preliminary translation of the P.C. 832 Arrest and Firearms Course performance objectives to training specification language, which appeared in a training specification document.

In May 2002, staff held the first subject matter expert meeting in order to validate the translation of the P.C. 832 performance objectives to training specifications. Since the P.C. 832 Arrest and Firearms Course had not been updated since July 1, 1992, the subject matter expert committee was also tasked with updating the course.

The following is a summary of the recommended changes to the training and testing specifications:

Learning Domain #01—History, Professionalism and Ethics

Several new objectives and some additional sub-topics are recommended in order to enhance ethics training.

Learning Domain #03—Community Relations

Two objectives and an instructional activity are recommended for deletion. Given the time constraints within the course and the differences within various communities, the committee felt this curriculum is better covered during in-service training. Although the objectives and activity are recommended for deletion from the P.C. 832 Course, students continuing in the Modular Format will receive the instruction in the Level II Module.

Learning Domain #16—Search & Seizure

Several new objectives are recommended. The committee felt some objectives aligned with existing performance objectives for the course and others are an enhancement to the curriculum.

Learning Domain #20—Use of Force

An instructional activity is recommended for deletion due to time constraints within the course. Since this activity is covered in the Level III Course (part 2 of the Level III Module) and the Level II Module, the committee felt comfortable with deleting it from the P.C. 832 curriculum.

Learning Domain #30—Preliminary Investigation

Seven objectives are recommended for deletion. Three of the objectives were found to be a duplicate of objectives covered in Learning Domain #17, Presentation of Evidence. The other four objectives were considered beyond the P.C. 832 level.

Learning Domain #35—Firearms/Chemical Agents

The exercise test language has been modified to include the testing specifications that have previously been noted in the P.C. 832 Examination Procedures Manual; which will no longer be published. The exercise test has not changed.

Learning Domain #42—Cultural Diversity/Discrimination

Four new objectives are recommended. The committee found that these four objectives align with existing performance objectives for the course.

Although the overall course hours have not changed, the committee recommended several changes in the distribution of the hours among the learning domains. The hours were modified to reflect the course emphasis on Laws of Arrest (LD #15), Search and Seizure (LD #16) and Presentation of Evidence (LD #17) to assure adequate time is given to cover the required curriculum.

**Modifying language for accuracy, clarification, and grammar purposes**

In addition to the other changes noted above, staff is proposing changes to reflect recent updates in the student workbooks as well as for accuracy, clarification and grammar purposes. Following is a summary of the significant changes:

Learning Domain #01 History, Professionalism, Ethics

A new objective, “Define the term professionalism,” is added to reflect a previous update to the student workbook. The new objective lays a foundation for the student prior to addressing other objectives in the learning domain.

Learning Domain #24 Handling Disputes/Crowd Control

With the inclusion of verbs, a previous subtopic no longer fits under its objective. Since the material is still relevant and necessary, it is proposed that the subtopic be made a learning objective.

Learning Domain #25 Domestic Violence

A subtopic is modified to reflect a previous update to the student workbook. The new language provides more clarification on the subject area.

In order to implement staff’s proposed changes, amendments to Regulations 1005, 1080 and 1081, Procedure D-1 and the document, *Training and Testing*

*Specifications for Peace Officer Basic Courses* are necessary. All of staff's proposed changes have been reviewed and endorsed by the Consortium of Academy Directors.

#### PUBLIC COMMENT

The Commission hereby requests written comments on the proposed actions. All written comments must be received at POST no later than 5 p.m. on June 23, 2003. Written comments should be directed to Kenneth J. O'Brien, Executive Director, Commission on Peace Officer Standards and Training, 1601 Alhambra Boulevard, Sacramento, CA 95816-7083, fax number (916) 227-2801, or email at [ken.obrien@post.ca.gov](mailto:ken.obrien@post.ca.gov)

A public hearing is not scheduled. Pursuant to Government Code Section 11346.8 any interested person, or his or her duly authorized representative, may request in writing, no later than 15 days prior to the close of the public comment period, that a public hearing be held.

#### ADOPTION OF PROPOSED REGULATIONS

Following the close of the public comment period, the Commission may adopt the proposal substantially as set forth without further notice or may modify the proposal if such modifications remain sufficiently related to the text as described in the Informative Digest. If the Commission makes changes to the language before the date of adoption, the text of any modified language, clearly indicated, will be made available at least 15 days before adoption to all persons whose comments were received by POST during the public comment period, and all persons who request notification from POST of the availability of such changes. A request for the modified text should be addressed to the agency official designated in this notice. The Commission will accept written comments on the modified text for 15 days after the date of which the revised text is made available.

#### TEXT OF PROPOSAL

Copies of the Initial Statement of Reasons and exact language of the proposed action may be obtained by submitting a request in writing to the contact person at the address below. This address also is the location of all information considered as the basis for these proposals. The information will be maintained for inspection during the Commissions' normal business hours (8 a.m. to 5 p.m., Monday through Friday).

Copies of the Final Statement of Reasons, once it has been prepared pursuant to subdivision (a) of Section 11346.9, may be obtained from the address at the end of this notice.

#### ESTIMATE OF ECONOMIC IMPACT

Fiscal impact on Public Agencies including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

Costs to any Local Agency or School District for which Government Code Section 17561 Requires Reimbursement: None

Significant Statewide Adverse Economic Impact Directly Affecting California Businesses, including Small Business: The Commission on Peace Officer Standards and Training has made an initial determination that the proposed regulation will not have a significant statewide adverse economic impact directly affecting California businesses, including the ability to compete with businesses in other states, and has found that the proposed amendments of Regulations 1005, 1080 and 1081, Procedure D-1 and the document, *Training and Testing Specifications for Peace Officer Basic Courses* will have no effect on California businesses, including small businesses, because the Commission on Peace Officer Standards and Training sets selection and training standards for law enforcement and does not impact California businesses, including small businesses.

Cost Impacts on Representative Private Persons or Businesses: The Commission on Peace Officer Standards and Training is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with this proposed action.

Effect on Housing Costs: The Commission on Peace Officer Standards and Training has made an initial determination that the proposed regulation would have no effect on housing costs.

#### ASSESSMENT

The adoption of the proposed amendments to this regulation will neither create nor eliminate jobs in the state of California, nor result in the elimination of existing businesses or create or expand businesses in the state of California.

#### CONSIDERATION OF ALTERNATIVES

In order to take this action, the Commission must determine that no reasonable alternative considered by the Commission, or that has otherwise been identified and brought to the attention of the Commission, would be more effective in carrying out the purpose for which the action is proposed, or would be as effective and less burdensome to affected private persons than the proposed action.



#### CONTACT PERSON

Inquiries concerning written material pertaining to the proposed action should be directed Leah Cherry, Associate Governmental Program Analyst, 1601 Alhambra Boulevard, Sacramento, CA 95816-7083, or by telephone at (916) 227-3891, fax number (916) 227-3895 or e-mail at [leah.cherry@post.ca.gov](mailto:leah.cherry@post.ca.gov). The back-up contact person as well as inquiries concerning the substance of the proposed action/text for the proposed changes should be directed to Kelly York, Associate Governmental Program Analyst (916) 227-0544, fax number (916) 227-6932 or e-mail at [kelly.york@post.ca.gov](mailto:kelly.york@post.ca.gov)

#### INTERNET ACCESS

Select Regulations, then Notices of Proposed Regulation Changes, to view proposed regulatory actions on POST's homepage ([www.post.ca.gov](http://www.post.ca.gov)).

### **TITLE 11. COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING**

#### NOTICE OF PROPOSED REGULATORY ACTION

##### AMENDMENT OF COMMISSION REGULATION 1007(a)(8) RESERVE OFFICER INTERVIEW REQUIREMENTS

Notice is hereby given that the Commission on Peace Officer Standards and Training (POST), pursuant to the authority vested by Penal Code Sections 13503 (powers of the Commission on POST), 13506 (authority for the Commission on POST to adopt regulations), and in order to interpret, implement and make specific Sections 13510 of the Penal Code (authority for the Commission on POST to adopt and amend rules establishing minimum standards for California law enforcement officers), proposes to adopt, amend, or repeal regulations in Chapter 2 of Title 11 of the California Code of Regulations.

##### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

POST Regulation section 1007(a)(8) requires an interview as part of the reserve peace officer selection process. POST is proposing amendments to Regulation section 1007(a)(8) to mirror the proposed amendments to Regulation 1002(a)(8) for regular peace officers.

According to the latest POST conducted job analyses, the interview factors that are more closely related to the requirements of an entry-level peace officer position are: 1) Experience, 2) Problem Solving Ability, 3) Communication Skills, 4) Interest/Motivation, 5) Interpersonal Skills, and 5) Community Involvement/Awareness. These new interview factors

were reviewed and validated by the Oral Interview Advisory Committee, composed of veteran peace officers, employment attorneys, psychologists, and human resources professionals from large law enforcement agencies.

In addition to the new factors, the Commission approved the development of two support products: the POST Entry-Level Peace Officer Oral Interview Guidelines Manual and a database to house interview questions.

Research shows that structuring the interview by ensuring that all candidates are asked the same, job-related questions can result in selecting better peace officers.

#### PUBLIC COMMENT

The Commission hereby requests written comments on the proposed action. All written comments must be received at POST no later than June 23, 2003. Written comments should be directed to Kenneth J. O'Brien, Executive Director, Commission on Peace Officer Standards and Training, 1601 Alhambra Boulevard, Sacramento, CA. 95816-7083, fax number (916) 227-2801, or e-mail at [kobrien@post.ca.gov](mailto:kobrien@post.ca.gov).

A public hearing is not scheduled. Pursuant to Government Code Section 11346.8, any interested person, or his or her duly authorized representative, may request in writing, no later than 15 days prior to the close of the public comment period, that a public hearing be held.

#### ADOPTION OF PROPOSED REGULATIONS

Following the close of the public comment period, the Commission may adopt the proposals substantially as described in this notice or may modify the proposal if such modifications remain sufficiently related to the text as described in the Informative Digest. If the Commission makes changes to the language before adoption, the text of any modified language clearly indicated will be made available at least 15 days before the date of adoption to all persons whose comments were received by POST during the public comment period, and all persons who request notification from POST of the availability of such changes. A request for the modified text should be addressed to the agency official designated on this notice. The Commission will accept written comments on the modified text for 15 days after the date on which the revised text is made available.

#### TEXT OF PROPOSAL

Copies of the Initial Statement of Reasons and exact language of the proposed action may be obtained by submitting a request in writing to the contact person at the address listed at the end of this notice. This address is the location of all information considered as the basis for these proposals (rulemaking file). The

information will be maintained for inspection during the Commission's normal business hours (8 a.m. to 5 p.m., Monday through Friday).

Copies of the Final Statement of Reasons, once it has been prepared pursuant to subdivision (a) of Section 11346.9, may be obtained at the address noted at the end of this notice.

#### ESTIMATE OF ECONOMIC IMPACT

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

Cost to Any Local Agency or School District for which Government Code Section 17561 Requires Reimbursement: None

Significant Statewide Adverse Economic Impact Directly Affecting California Businesses, including Small Business: The Commission on Peace Officer Standards and Training has made an initial determination that the proposed regulation will not have a significant statewide adverse economic impact directly affecting California businesses, including the ability to compete with businesses in other states, and has found that the proposed amendment of Regulation 1007(a)(8) will have no effect on California businesses, including small businesses, because the Commission on Peace Officer Standards and Training sets selection and training standards for law enforcement and does not impact California businesses, including small businesses.

Cost Impacts on Representative Private Persons or Businesses: The Commission on Peace Officer Standards and Training is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with this proposed action.

Effect on Housing Costs: The Commission on Peace Officer Standards and Training has made an initial determination that the proposed regulation would have no effect on housing costs.

#### ASSESSMENT

The adoption of the proposed amendments to this regulation will neither create nor eliminate jobs in the state of California, nor result in the elimination of existing businesses or create or expand businesses in the state of California.

#### CONSIDERATION OF ALTERNATIVES

In order to take this action the Commission must determine that no reasonable alternative considered by the Commission, or that has otherwise been identified and brought to the attention of the Commission, would be more effective in carrying out the purpose for

which the action is proposed, or would be as effective and less burdensome to affected private persons than the proposed action.

#### CONTACT PERSON

Inquiries concerning written material pertaining to the proposed action should be directed to Leah Cherry, Associate Analyst, 1601 Alhambra Blvd., Sacramento, CA 95816-7083, or by telephone at (916) 227-3891, fax number (916) 227-3895 or e-mail at [leah.cherry@post.ca.gov](mailto:leah.cherry@post.ca.gov). The back-up contact person as well as inquiries concerning the substance of the proposed action/text should be directed to Chares Junn, Personnel Selection Consultant, at (916) 227-4861, fax number (916) 227-0476 or e-mail at [Charles.Junn@post.ca.gov](mailto:Charles.Junn@post.ca.gov).

#### INTERNET ACCESS

Select **Regulations**, then **Notices of Proposed Regulation Changes**, to view proposed regulatory actions on POST's home page ([www.post.ca.gov](http://www.post.ca.gov)).

## TITLE 16. CALIFORNIA ARCHITECTS BOARD

### LANDSCAPE ARCHITECTS TECHNICAL COMMITTEE

NOTICE IS HEREBY GIVEN that the California Architects Board, Landscape Architects Technical Committee is proposing to take the action described in the Informative Digest. Any person interested may present statements or arguments orally or in writing relevant to the action proposed at a hearing to be held at the California Architects Board, 400 R Street, Suite 4000, Sacramento, California, 95814 at 9:00 am, on June 23, 2003. Written comments, including those sent by mail, facsimile, or e-mail to the addresses listed under Contact Person in this Notice, must be received by the Board at its office not later than 5:00 p.m. on June 23, 2003 or must be received by the Board at the hearing. The Board, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

#### AUTHORITY AND REFERENCE

Pursuant to the authority vested by Sections 5630 of the Business and Professions Code, and to implement, interpret or make specific Section 5681 of said Code,

the Board is considering changes to Division 26 of Title 16 of the California Code of Regulations as follows:

**INFORMATIVE DIGEST/POLICY  
STATEMENT OVERVIEW**

**Amend Section 2649—Fees**

California Business and Professions Code section 5681 authorizes the Board to charge a fee that does not exceed the actual cost to purchase and administer the licensing examination. California Code of Regulations (CCR) section 2649 specifies the fees to be charged for each section of the examination. The Board is proposing to amend section 2649 to increase the examination fees in response to the increase in fees by the national test vendor, Council of Landscape Architectural Registration Boards (CLARB) for both FY 2003/04 and FY 2004/05. Additionally the proposed amended language reflects the increase in the fee CLARB charges for the red line review of Section C.

The Board is also proposing to amend section 2649 to delete the examination fees charged prior to July 1, 2002, as they are obsolete and no longer needed.

**FISCAL IMPACT ESTIMATES**

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

Cost to Any Local Agency or School District for Which Government Code Section 17561 Requires Reimbursement: None

Business Impact: The board has made an initial determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

This regulation pertains to examinations and therefore only affects prospective candidates for licensure, and has no effect on businesses.

Impact on Jobs/New Businesses: The Board has determined that this regulatory proposal will not have a significant impact on the creation of jobs or new businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

Cost Impact on Representative Private Person or Business: The Board is not aware of any cost impacts that a representative private person or business would necessarily incur reasonable compliance with the proposed action.

Effect on Housing Costs: None

**EFFECT ON SMALL BUSINESS:**

The Board has determined that the proposed regulations would not affect small businesses. This regulation pertains to examinations and therefore only effects prospective candidates for licensure, and has no effect on small businesses.

**CONSIDERATION OF ALTERNATIVES**

The Board must determine that no reasonable alternative it considered to the regulation or that has otherwise been identified and brought to its attention would either be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposal described in this Notice.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearing.

**INITIAL STATEMENT OF REASONS  
AND INFORMATION**

The Board has prepared an initial statement of the reasons for the proposed action and has available all the information upon which the proposal is based.

**TEXT OF PROPOSAL**

Copies of the exact language of the proposed regulations and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained at the hearing or prior to the hearing upon request from the California Architects Board at 400 R Street, Suite 4000, Sacramento, California 95814.

**AVAILABILITY AND LOCATION  
OF THE FINAL STATEMENT OF  
REASONS AND RULEMAKING FILE**

All the information upon which the proposed regulations are based is contained in the rulemaking file which is available for public inspection by contacting the person named below.

You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact person named below.

**CONTACT PERSON**

Any inquiries or comments concerning the proposed rulemaking action may be addressed to:

Name: Erin Mynatt  
Address: 400 R Street, Suite 4000  
Telephone No.: (916) 323-5479  
Fax No.: (916) 324-2333  
E-Mail Address: Erin\_Mynatt@dca.ca.gov

The backup contact person is:

Name: Mona Maggio  
Address: 400 R Street, Suite 4000



Telephone No.: (916) 323-6408  
Fax No.: (916) 324-2333  
E-Mail Address: [Mona\\_Maggio@dca.ca.gov](mailto:Mona_Maggio@dca.ca.gov)  
Web site Access: Materials regarding this proposal can be found at [www.latc.ca.gov](http://www.latc.ca.gov).

## **TITLE 18. BOARD OF EQUALIZATION**

### **NOTICE IS HEREBY GIVEN**

The State Board of Equalization, pursuant to the authority vested in it by section 15606(a) of the Government Code, proposes to amend Regulation 1630, Packers, Loaders and Shippers, in Title 18, Division 2, Chapter 4, of the California Code of Regulations, relating to sales and use tax. A public hearing on the proposed regulation will be held in Room 121, 450 N Street, Sacramento, at 9:30 a.m., or as soon thereafter as the matter may be heard, on June 25, 2003. At the hearing, any person interested may present statements or arguments orally or in writing relevant to the proposed regulatory action. The Board will consider written statements or arguments if received by June 25, 2003.

### **INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW**

Current law, Revenue and Taxation Code section 6007, provides that sales of tangible personal property to persons who will resell the property in the regular course of business are excluded from the sales and use tax. Under the statutes, persons who consume items purchased for resale owe use tax measured by the cost of the items consumed.

Regulation 1630, Packers, Loaders and Shippers, is proposed to be amended to interpret, implement and make specific Revenue and Taxation Code section 6007. Amendments are proposed to provide that when a shipper of perishable food products purchases a disposable temperature recorder for the sole purpose of shipping the device along with the products the shipper ships, a shipper does not make a taxable use of a disposable temperature recording device merely by starting the recording device in this state, and to conform the subdivision to current industry terminology.

### **COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS**

The State Board of Equalization has determined that the proposed amendments do not impose a mandate on local agencies or school districts. Further, the Board has determined that the amendments will result in no direct or indirect cost or savings to any State agency, any costs to local agencies or school districts that are required to be reimbursed under Part 7 (commencing

with section 17500) of Division 4 of Title 2 of the Government Code or other non-discretionary costs or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

### **EFFECT ON BUSINESS**

Pursuant to Government Code section 11346.5(a)(8), the Board of Equalization makes an initial determination that the adoption of Proposed Regulation 1630 will have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

The adoption of the proposed amendment to this regulation will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The proposed regulation may affect small business.

### **COST IMPACT ON PRIVATE PERSON OR BUSINESSES**

That Board is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

### **SIGNIFICANT EFFECT ON HOUSING COSTS** No significant effect.

### **FEDERAL REGULATIONS**

Regulation 1630 and the proposed changes have no comparable federal regulations.

### **AUTHORITY**

Section 7051, Revenue and Taxation Code.

### **REFERENCE**

Section 6007 Revenue and Taxation Code.

### **CONTACT**

Questions regarding the substance of the proposed regulation should be directed to Ms. Mariflor Jimenez (916) 324-2952, at 450 N Street, Sacramento, CA 95814, e-mail [Mariflor.Jimenez@boe.ca.gov](mailto:Mariflor.Jimenez@boe.ca.gov) or MIC:50, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0050.

Written comments for the Board's consideration, notice of intent to present testimony or witnesses at the public hearing, and inquiries concerning the proposed administrative action should be directed to Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, e-mail [Diane.Olson@boe.ca.gov](mailto:Diane.Olson@boe.ca.gov) or Ms. Karen Anderson, Contribution Disclosures Analyst, telephone (916) 327-1798, e-mail [Karen.Anderson@boe.ca.gov](mailto:Karen.Anderson@boe.ca.gov)



or by mail at State Board of Equalization, Attn: Diane Olson or Karen Anderson, MIC:80, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0080.

#### ALTERNATIVES CONSIDERED

The Board must determine that no reasonable alternative considered by it or that has been otherwise identified and brought to its attention would be more effective in carrying out the purpose for which this action is proposed, or be as effective and less burdensome to affected private persons than the proposed action.

#### AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared a initial statement of reasons and an underscored version (express terms) of the proposed regulation. Both of these documents and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. The notice, initial statement of reason and the text of the proposed regulation are available on the internet at the Board's website <http://www.boe.ca.gov>.

#### AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's web site following its public hearing of the proposed regulation. It is also available for your inspection at 450 N Street, Sacramento, California.

#### ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with the law, adopt the proposed regulations if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the regulation. The text of any modified regulation will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such changes. The modified regulation will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified regulation for fifteen days after the date on which the modified regulation is made available to the public.

## TITLE 22. DEPARTMENT OF CHILD SUPPORT SERVICES

### NOTICE OF PROPOSED ACTION

R-18-02-E

### COMPROMISE OF ARREARAGES

#### PROPOSED PERMANENT REGULATIONS

NOTICE IS HEREBY GIVEN that the Department of Child Support Services (DCSS) has adopted these regulations on an emergency basis effective November 25, 2002; and now proposes to adopt them as permanent regulations amending Division 13 of Title 22 of the California Code of Regulations commencing with Section 119015. These regulations require the LCSA to compromise assigned arrearages and interest that accrued while the child was out of the home for those families that meet the criteria of Family Code Section 17550(a); require the LCSA to temporarily suspend enforcement and collection of arrearages while the compromise application is pending; and describe the process and procedures for determining eligibility and implementing the compromise.

#### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Family Code, Section 17550, provides, in part, that the local child support agency (LCSA) may compromise arrearages and interest owed for reimbursement for certain public assistance payments paid for a child placed in foster care or with a relative caretaker or a guardian. The statute authorizes the LCSAs to compromise arrearages in cases where separation or desertion of a parent results in aid being granted to a child and subsequently, the child is returned to the parent.

- Subsection (a) specifies, in part, that the obligor parent must also meet the following conditions:
  - (1) The obligor parent must establish one of the following:
    - (A) The child has been adjudged a dependent of the court under Section 300 of the Welfare and Institutions Code and the child has been reunified with the obligor parent pursuant to a court order.
    - (B) The child received public assistance while living with a guardian or relative caregiver and the child has been returned to the custody of the obligor parent, provided that the obligor parent for whom the debt compromise is being considered was the

parent with whom the child resided prior to the child's placement with the guardian or relative caregiver.

- (2) The obligor parent, for whom the debt compromise is being considered, has an income less than 250 percent of the current federal poverty level.
  - (3) The local child support agency has determined that the compromise is necessary for the child's support.
- Subsection (b) specifies, in part, that prior to compromising an obligor parent's liability for debt incurred for either Aid to Families with Dependent Children-Foster Care payments or for CalWORKs payments provided on behalf of the child, the local child support agency shall consult with the county child welfare department.
  - Subsection (c) specifies, in part, that this provision does not relieve an obligor parent who has not been reunified with his or her child of their child support liability.

These regulations interpret, implement, and make specific the state law cited above by: (1) requiring the LCSA to compromise assigned arrearages and interest that accrued while the child was out of the home for those families that meet the criteria of Family Code Section 17550(a); (2) requiring the LCSA to temporarily suspend enforcement and collection of arrearages while the compromise application is pending; and (3) describing the process and procedures for determining eligibility and implementing the compromise. Specifically, the regulations make the following changes to Title 22, California Code of Regulations:

#### Chapter 9. Collection and Distribution.

##### Article 1. Definitions

Sections 119015, 119019, 119045, 119069, and 119076 were adopted to define program terms and phrases related to the compromising of arrearages in the application and approval processes.

#### Chapter 9. Collection and Distribution.

##### Article 6. Compromise of Arrearages.

This article contains the criteria and procedures the local child support agencies must follow to determine whether an applicant qualifies for a compromise of assigned arrearages, the procedures for denial and approval of an application, and the procedures for implementing a compromise of arrearages. In the development of the criteria and procedures outlined in these regulations the department consulted with staff of the Department of Social Services, local county welfare department staff and staff from local child support agencies.

Section 119191 was adopted to specify the general compromise application processing requirements. It

clarifies the procedures for determining if an applicant qualifies for a temporary suspension of collection and enforcement activities. It specifies the requirements for verification of eligibility and identifies the requirements, procedures and timeframes for approving or denying an application for compromise and for setting a payment amount on any remaining arrearage balance. This section further specifies the requirements, procedures and timeframes for implementing a compromise of arrearages and limits the ability to repeatedly compromise debt owed to deter the abuse of this provision.

These regulations establish requirements and incorporate by reference the following forms:

1. "Compromise of Arrearages Information Sheet", CS 4476, dated 9/02.
2. "Application for Compromise", CS 4477, dated 9/02.
3. "Notice of Eligibility for Compromise of Arrearages", CS 4478, dated 9/02.
4. "Notice of Denial of Application for Compromise", CS 4479, dated 9/02.
5. "Notice of Temporary Suspension of the Child Support Collection and Enforcement", CS 4480, dated 9/02.
6. "Notice of Incomplete Application for Compromise", CS 4481, dated 9/02.

#### AUTHORITY AND REFERENCE CITATIONS

AUTHORITY: Sections 17306, 17310 and 17312, of the Family Code.

REFERENCE: Sections 708.420 and 708.440(a), Code of Civil Procedures; Sections 17402, 17406(j) & (k), 17520(g)(2) and 17550, Family Code; Sections 361(e), 11200, 11360, 11362, 11400, 11401 and 16507.2, Welfare and Institutions Code; 42 United States Code, Section 9902(2).

#### PUBLIC COMMENT PERIOD

Written public comments presenting statements, arguments, or contentions relating to the text of the proposed regulations will be accepted for a period of forty-five (45) days beginning on May 9, 2003 and ending at 5 p.m. on June 23, 2003. Public comments will be accepted by any of the following means:

1. Mailed to:  
Dept. of Child Support Services  
Attn: Regulations Coordinator  
P.O. Box 419064  
Rancho Cordova, CA 95741-9064
2. Faxed to:  
Dept. of Child Support Services  
Attn: Regulations Coordinator  
(916) 464-5069

3. E-mailed to the Regulations Coordinator:  
Lucila.Ledesma@dcss.ca.gov

#### PUBLIC HEARING

No public hearing is scheduled. Pursuant to the provisions of Government Code Section 11346.8, any interested party may request that a public hearing be scheduled. The request must be in writing and received at the above addresses for the DCSS Regulations Coordinator no later than fifteen (15) days prior to the close of the public comment period.

#### CONTACTS

Copies of documents and general information regarding this rulemaking may be secured by contacting Lucila Ledesma the Regulations Coordinator at 916-464-5087.

In case you are unable to reach the Regulations Coordinator, the DCSS alternative contact person for general information about this rulemaking is Christina Barajas at 916-464-5181.

If you have a substantive question regarding the content of this rulemaking, you may contact Tonya Crawford-Comage, Supervisor of the Financial Management Policy Section at 916-464-5055.

#### HOW TO GET COPIES OF RULEMAKING DOCUMENTS

Copies of the full text of the proposed regulations, an initial statement of reasons, and all information on which this rulemaking is based may be secured from the DCSS Regulations Coordinator at the above addresses. Some of these documents are also available on the Department's public website at [www.childsup.ca.gov](http://www.childsup.ca.gov).

The full text of a regulation changed pursuant to Government Code Section 11346.8 will be available for at least fifteen (15) days prior to the date on which DCSS adopts the resulting regulation. During that period, it may also be secured from the DCSS Regulations Coordinator at the above addresses.

Once the final statement of reasons becomes available it may also be secured from the contact persons identified above or from the DCSS public website at [www.childsup.ca.gov](http://www.childsup.ca.gov).

#### IMPACT ON INDIVIDUALS AND BUSINESSES

The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

The Department has made an initial determination that the regulations would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

These regulations specify the requirements and criteria for compromising arrearages by local child support agencies.

The Department has determined that the regulations would not significantly affect the following:

- (1) The creation or elimination of jobs within the State of California.
- (2) The creation of new businesses or the elimination of existing businesses within the State of California.
- (3) The expansion of businesses currently doing business within the State of California.

The Department has determined that the regulations would not affect small businesses. Small business would not be required to comply with or enforce these regulations nor are they expected to incur either benefits or detriments from them.

#### LOCAL MANDATE

The Department has determined that the regulations would impose a mandate on local agencies or school districts, but there are no costs for which reimbursement is required by Part 7 (commencing with Section 17500) of Division 4 of the Government Code because the activities required by the regulations are fully funded through:

- (1) Federal incentives and subventions to local agencies under the provisions of 42 U.S.C., Section 658a and 45 CFR, Section 304.
- (2) State incentives and subventions to local agencies under the provisions of Family Code, Sections 17700(c) and 17704(b)(2)(B)(i).

#### FISCAL IMPACTS

- A. Fiscal Effect on Local Government: \$1,039,000 loss for FY 2002-2003, and \$1,801,000 loss Annually/Ongoing.
- B. Cost or Savings to any State Agency: \$718,000 loss for FY 2002-2003, and \$1,225,000 loss Annually/Ongoing.
- C. Cost or Savings in Federal Funding to the State: \$708,000 loss for FY 2002-2003, and \$1,192,000 loss Annually/Ongoing.
- D. Other Nondiscretionary Costs or Savings Imposed on Local Agencies: None.

#### IMPACT ON HOUSING COSTS

The Department has determined that these regulations will have no impact on housing costs.

#### CONSIDERATION OF ALTERNATIVES

The Department must determine that no reasonable alternative considered by the Department or that has otherwise been identified or brought to the attention of the Department would be more effective in carrying out the purpose for which these regulations are being



implemented or would be as effective and less burdensome to affected private persons than these regulations.

## **TITLE 25. DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

### **NOTICE OF PROPOSED RULEMAKING PREDEVELOPMENT LOAN PROGRAM (PDLP)**

Notice is hereby given that the Department of Housing and Community Development (department) proposes to amend the regulations of the Predevelopment Loan Program (PDLP).

#### **WRITTEN COMMENT PERIOD**

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action by the department. The written comment period begins on May 9, 2003 and closes at 5:00 p.m. on June 23, 2003. The department will consider comments received during this timeframe. No public hearing is currently scheduled; however, any interested person may request a public hearing no later than 15 days prior to the close of the written public comment period. Such a request must be submitted in writing to the contact person listed below.

#### **AUTHORITY AND REFERENCE**

The department is conducting this rulemaking activity under the authority provided by Health and Safety Code Sections 50406(n) and 50532. These regulations implement, interpret, and make specific Part 2 of Division 31 of the Health and Safety Code, commencing with chapter 3.5, Sections 50530–50532.

#### **INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW**

PDLP laws and regulations provide for funding to finance the start of low-income housing projects. Assistance is in the form of short-term loans at three percent simple annual interest for up to two years, or longer at the discretion of the department. PDLP loans are typically repaid out of the project's construction financing or long-term permanent financing. PDLP funds may be used to pay the costs of site control, site acquisition, engineering studies, architectural plans, application and permit fees, legal services, bonding, site preparation and other predevelopment costs. Eligible applicants include local government agencies, nonprofit corporations, cooperative housing corporations, and limited liability companies or limited partnerships where all the general partners are nonprofit mutual or public benefit corporations.

The proposed regulatory amendments will bring the regulations, which were last amended in 1985, into conformance with statutory changes made to the program over the years. Until October 1, 2001, when Assembly Bill 1359 (Lowenthal and Kehoe, Chapter 395 of 2001) took effect, there were four related but different predevelopment loan programs. A single subchapter of regulations, titled Predevelopment Loan Funds, was adopted on an emergency basis in 1977 to govern the first two PDLP programs enacted, and was last amended in 1985. In the meanwhile, PDLP program statutes have been amended numerous times, and two additional PDLP programs established. The existing regulations are being amended to reflect numerous post-1985 statutory amendments, including the consolidation of the former four PDLP programs by AB 1359.

In addition to the changes outlined above, technical changes have been made to reduce the administrative burden of the program and improve clarity.

There are no comparable Federal regulations or Federal laws that match or compare with the existing PDLP program as provided by existing State Law.

#### **IMPACT OF PROPOSED REGULATIONS**

Limited liability corporations and limited partnerships where all of the general partners are nonprofit mutual or public benefit corporations will be added to the range of potential sponsors eligible to apply for PDLP loans. The amended regulations will set a lower 3% interest rate, which will facilitate lower rents. PDLP loans are expected to turn over faster, allowing the funding of more projects with the same amount of money. Program priorities will be modified to give more importance to projects that help preserve existing subsidized housing and projects near transit corridors, while retaining the program's rural emphasis. For some changes, alternatives were considered and are discussed in the ISOR. Many proposed changes reflect statutory changes, so no alternatives were considered.

#### **EFFECT ON SMALL BUSINESS**

The proposed regulations do not adversely affect small business. They offer, but do not mandate, positive effects in the form of low interest loans for the development of affordable housing. The only business impact of the program is on those entities, including public agencies, nonprofit corporations or certain partnerships, that choose to apply for PDLP loans. Principal beneficiaries are the residents of housing developments that receive PDLP loans. Applicants benefit from the below-market interest rate offered by the program, and participation in PDLP is voluntary.

#### **LOCAL MANDATE**

The proposed regulatory activity will not impose a mandate on local agencies or school districts. Local agencies are eligible for the program, but are not



required to participate. It is not anticipated that school districts will be part of this applicant pool. In any case, participation in the program is voluntary.

#### **FISCAL IMPACT**

This regulatory activity does not impose any cost on any local agency or school district that is required to be reimbursed under Part 7 (commencing with sec. 17500) of Division 4 of the Government Code; neither does the regulatory activity result in any other nondiscretionary cost or savings imposed on local agencies or in any cost or savings to any state agency or in federal funding to the state. Public entities, including local governments, nonprofit organizations, and limited liability corporations or certain types of partnerships are eligible to apply for direct loans. However, participation is voluntary, not mandatory. The program was originally funded from the General Fund, and now utilizes repayments of past loans into the program's special fund. There is no impact on federal funding to the state.

Since PDLP already exists, there will be only a minor fiscal impact to the State. Program workload capacity will be limited by current staff resources, which are not expected to change in the foreseeable future. These amendments do not mandate any increased costs, and will simplify the program, which should increase capacity somewhat. This increase is expected to be offset by increased business. It is anticipated that the department will limit any additional costs within existing budgets and resources.

#### **EFFECT ON HOUSING COSTS**

This regulatory activity will lower affordable housing development costs by reducing PDLP loan interest rates, reducing administrative requirements, and other changes. The program is expected to fund more projects because of the consolidation of funds and requirements, the expansion of the class of eligible sponsors, and other changes such as removal of the 30% cap on loans involving site purchase. The program assists residents of affordable housing developments by facilitating more projects, with lower rents. Loans are made with below market rate financing at three percent simple interest. This rate is lower than the rate in the existing regulations, which are being amended. The lower rate has already been implemented in program practice following its statutory adoption.

#### **INITIAL DETERMINATION OF SIGNIFICANT, STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY EFFECTING BUSINESSES**

The department has determined that the regulations will not have a significant, statewide adverse eco-

nomic impact on business, including the ability of California businesses to compete with businesses in other states.

#### **ASSESSMENT STATEMENT**

The department has determined that the regulations will not significantly affect the creation or elimination of jobs in California; the creation of new businesses or the elimination of existing businesses within California; or the expansion of businesses currently operating in California. In any case, participation in the program is voluntary.

#### **STATEMENT OF POTENTIAL COSTS IMPACT ON PRIVATE PERSONS AND BUSINESS DIRECTLY AFFECTED**

The department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. While private businesses (nonprofits and certain partnerships) are eligible to receive program funds under the program, participation is voluntary. The proposed changes will not have a significant adverse economic impact on any business, including the ability of California businesses to compete with businesses in other states.

#### **CONSIDERATION OF ALTERNATIVES**

The Department of Housing and Community Development must determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

#### **AVAILABILITY OF TEXT OF PROPOSED REGULATIONS AND STATEMENT OF REASONS**

The text of the proposed regulations is available upon request, along with the Initial Statement of Reasons (ISOR) prepared by the department, which provides the reasons for the proposed amendments. All information the department is considering as a basis for this proposal is maintained in a rulemaking file, which is available for inspection at the address noted below. Copies can be obtained by contacting Margery Winter at the address and telephone number noted below.

#### **AVAILABILITY OF CHANGED OR MODIFIED TEXT**

Following the written comment period, the department may adopt the proposed amendments substantially as described in this notice. If the department

makes modifications, which are sufficiently related to the originally proposed text, it will make the modified text—with changes clearly indicated—available to the public for at least 15 days before the department adopts the regulations as revised. Please send requests for copies of any modified regulations to the attention of Margery Winter at the address indicated below. The department will accept written comments on the modified regulations for 15 days after the date on which they are made available.

#### **AVAILABILITY OF RULEMAKING DOCUMENTS**

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below.

#### **AVAILABILITY OF FINAL STATEMENT OF REASONS**

At the conclusion of this rulemaking, a Final Statement of Reasons will be prepared as required by Government Code section 11346.9. This document will be available from the contact person named below.

#### **CONTACT INFORMATION PERSON**

HCD: Margery Winter, Loan Officer  
(916) 327-8886

HCD Back-Up: Lenora Frazier  
(916) 323-7288

HCD Address: State Department of Housing  
and Community Development  
1800 Third Street, Room 390  
Sacramento, California 95814

HCD Website: Copies of the Notice of Proposed  
Action, the Initial Statement of  
Reasons, and the text of the  
regulations may be accessed  
through our website at  
[www.hcd.ca.gov](http://www.hcd.ca.gov)

HCD Facsimile No: (916) 327-5942

The Department invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period. Direct inquiries concerning the substance of the proposed rulemaking action and any requests for the documents noted above should be made to:

#### **CONTACT PERSON**

The department invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period. Direct inquiries concerning the substance of the proposed rulemaking action and any requests for the documents noted above to:

Margery Winter, Loan Officer  
Division of Community Affairs—PDL  
State Department of Housing and  
Community Development  
P.O. Box 952054, MS 390-5  
Sacramento, California 94252-2054  
Telephone (916) 327-8886  
Fax (916) 327-5942  
[mwinter@hcd.ca.gov](mailto:mwinter@hcd.ca.gov)

### **TITLE 25. DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

#### **NOTICE OF PROPOSED RULEMAKING FOR THE UNIFORM MULTIFAMILY REGULATIONS, MULTIFAMILY HOUSING PROGRAM (MHP), JOE SERNA JUNIOR FARMWORKER HOUSING GRANT PROGRAM (JSJFWHG) AND HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM**

Notice is hereby given that the Department of Housing and Community Development (Department) proposes to: (1) adopt new regulations creating uniform rules for multifamily rental housing assisted under the Multifamily Housing Program (MHP), Joe Serna Junior Farmworker Housing Grant Program (JSJFWHG) and HOME Investment Partnerships (HOME) Program; (2) amend the existing regulations for these programs to adopt the uniform rules; and (3) make other revisions to MHP. The purpose of the three effected programs is to provide financial assistance for affordable housing.

The text of the proposed regulations and regulation amendments, along with related documents, is available on the Department's web site ([www.hcd.ca.gov](http://www.hcd.ca.gov)).

#### **WRITTEN COMMENT PERIOD**

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action by the Department. The written comment period begins May 9, 2003 and closes at 5:00 p.m. on June 23, 2003. The Department will consider comments received during this time-frame. Please address your comments to Michael Pope at [mpope@hcd.ca.gov](mailto:mpope@hcd.ca.gov) or Russ Schmunk at [rschmunk@hcd.ca.gov](mailto:rschmunk@hcd.ca.gov). Comments can also be sent via mail to Michael Pope, Department of Housing and Community Development, P.O. Box 952054, Sacramento, California 94252-2054, or via fax to (916) 445-0117, attention: Michael Pope.

#### **PUBLIC HEARINGS**

Public hearings will be held in Los Angeles on Wednesday, May 28, 2003 commencing at 10:00 a.m. in the Ronald Reagan State Building Auditorium,

located at 300 South Spring Street; in San Francisco on Thursday, May 22, 2003 commencing at 10:00 a.m. at the Hiram Johnson State Building Auditorium, located at 455 Golden Gate Avenue; in San Diego, on Tuesday, May 27, 2003 commencing at 10:00 a.m. at the San Diego State Building, Room B-109; in Fresno on Monday, June 16 commencing at 1:00 p.m., at The Californian, 851 Van Ness, Ballroom; and the final hearing to be held in Sacramento at the Departments headquarters on Monday, June 23, 2003 commencing at 10:00 a.m. located at 1800 Third Street, Room 183/185. Any person may present statements or arguments orally or in writing relevant to the proposed action described in the Informative Digest below. The Department requests, but does not require, that persons who make oral comments at the hearing also submit a written copy of their testimonies at the hearings.

#### AUTHORITY AND REFERENCE

The Department is conducting this rulemaking activity under the authority provided by Health and Safety Code (H&S) Section 50406(n) and H&S Section 50675.1(c), and to implement, interpret, and make specific Sections 50517.5–50517.11, 50675, and 50896 of the Health and & Safety.

#### INFORMATIVE DIGEST

The Department operates three programs that provide assistance for the construction or rehabilitation of affordable multifamily rental housing developments—the Multifamily Housing Program (“MHP”), the Home Investment Partnerships (HOME) Program (“Home”) and the Joe Serna, Jr. Farmworker Housing Grant Program (“JSJFWHG”).

- MHP is a state-funded program that makes low-interest loans to non-profit and for-profit private developers as well as to local public agencies.
- HOME awards and disburses federal funds made available to the State pursuant to Title II of Public Law No. 101-625, 104 Stat. 4079, known as the Cranston-Gonzalez National Affordable Housing Act of 1990 as amended by the Housing and Community Development Housing Act of 1992, Public Law No. 102-550. As part of this program, the Department makes grants to eligible cities and counties and direct loans to private organizations that qualify as Community Housing Development Organizations (CHDOs).
- JSJFWHG makes grants to local public entities and nonprofit corporations, and is permitted to make loans to limited partnerships if the funds would be used in conjunction with low-income housing tax credits, for the development of housing for agricultural workers and their families.

Rental housing developments funded by these three programs often are indistinguishable from one another. However, they often are underwritten to slightly different standards and are subject to other differing rules on the same subject. This has created difficulties in loan underwriting and long-term monitoring for Department staff. This also has created difficulties for clients who must learn three different sets of underwriting and other rules.

A major purpose of these regulations is to adopt a uniform set of underwriting assumptions and other standardized rules for multifamily housing developments that will apply in all three programs (the “Uniform Multifamily Regulations”). In addition, the Department is making other changes to the MHP regulations. This rulemaking package has three major parts:

- The adoption of a new subchapter 19 in Chapter 7 of Title 25 of the California Code of Regulations that contains the Uniform Multifamily Regulations.
- Individualized amendments to each of MHP, HOME and JSJFWHG adopting the uniform standards.
- Amendments that are specific to the MHP, and are not related to the uniform standards.

#### UNIFORM MULTIFAMILY REGULATIONS

Following is a summary of the uniform rules that are proposed to be adopted for all three programs:

Section 8300. Purpose and Scope—describes the purpose of Subchapter 19 and lists the authority for the three programs.

Section 8301. Definitions—adopts definitions applicable only to Subchapter 19.

Section 8302. Restrictions on Demolition—Establishes a uniform rule that projects involving demolition must replace the number of bedrooms demolished rather than the number of units demolished. This essentially is the current federal HOME rule.

Section 8303. Site Control Requirements—Establishes the operative requirements for site control at time of application. The proposed standard closely parallels current MHP and HOME requirements.

Section 8304. Unit standards—would prohibit differences between restricted and nonrestricted units in terms of size and amenities, similar to current MHP requirements.

Section 8305. Tenant selection—would establish fair and equitable tenant selection procedures, would prohibit local residency requirements and would establish the minimum number of occupants for a unit based on number of bedrooms, to prevent underutilization of units. The proposed rules closely parallel current MHP requirements.



Section 8306. Tenant Recertification—addresses the annual recertification requirements for income or occupancy status, particularly if a household's size changes.

Section 8307. Rental Agreement and Grievance Procedure—establishes the requirement for “just cause” evictions and the requirement for Department approval of the rental agreement. The proposed rules closely parallel current MHP requirements.

Section 8308. Operating Reserves—closely parallels current MHP regulations and establishes a minimum initial deposit of 4 months operating expenses, plus 4 months required replacement reserve deposits, plus 4 months on non-contingent debt service—all to be paid from development funding sources.

Section 8309. Replacement Reserves—closely parallels current MHP regulations and establishes, for new construction projects, a minimum initial annual deposit of 0.6% of estimated construction costs.

Section 8310. Underwriting Standards—in general, establishes the following underwriting assumptions: 5% project vacancy rate; 50% commercial space vacancy rate; operating expenses as specifically listed in the California Tax Credit Allocation Committee (“TCAC”) regulations; first year debt-coverage-ratio of not less than 1.10:1 or greater than 1.2:1; and a requirement that the project show a positive cash flow for 15 years.

Section 8311. Limits on Development Costs (title changed to “Limits on Design Features”)—consistent with existing MHP and HOME regulations, requires that project development costs be reasonable compared to costs for other similar developments in the local area, establishes a limits on construction contractor profit and overhead and site development costs, and specifies that property acquisition costs shall not exceed appraised value.

Section 8312. Developer Fee for Tax Credit Projects—similar to current MHP regulations, allows total developer fee up to the level permitted by TCAC and limits developer fee paid from development funding sources based on a schedule tied to unit count and construction type.

Section 8313. Developer Fee for Non-Tax Credit Projects—limits developer fees to the per unit caps set forth above, without regard to the TCAC regulations, except in the case of HUD 811 or 202 projects. HUD 811 or 202 projects located in non-rural areas are limited to \$5,000/unit.

Section 8314. Use of Operating Cash Flow—this section establishes how to distribute the cash flow remaining after payment of operating expenses, debt service and reserve deposits. Basically, the order of payment would be: deferred developer fee, approved partnership and asset management fees, 50% to the

borrower and 50% to HCD and other public lenders, in an amount proportionate to their loan, as a residual receipts payment on the HCD or public lender loan.

Section 8315. Subordination Policy—this section would establish HCD's subordination policy to senior lenders and would clearly state the types of provisions HCD will not subordinate to including: a provision prohibiting HCD from exercising its remedies or requiring the senior lender's consent to exercise its remedies; a provision eliminating HCD's interest if a senior lender accepts a deed in lieu of foreclosure; a provision that permits the senior lender to modify its documents without HCD's consent; or a provision that would require HCD to take on additional obligations, above and beyond those in its loan documents. The section also provides that HCD will not subordinate to a local government lender unless the local government loan is more than twice as much as the total HCD assistance to the development (including loans and grants).

Section 8316. Leasehold Security—this section establishes the minimum provisions that must be included in a lease for HCD to accept a lease as security in lieu of fee simple ownership. Basically, the section would require either that: (1) the lease be at least as long as the term of the Program loan or grant and the Program documents be recorded on the fee interest as well as the leasehold interest; or (2) the lease must have least 90 years remaining from the date the Program documents are recorded and the lease must not have certain specified provisions that weaken the Department's security interest. Finally, where the lessee and lessor are related or affiliated parties, the Program documents must be recorded on both the fee and leasehold interest.

## MHP-SPECIFIC REGULATION AMENDMENTS

Following is a summary of the more substantive amendments specific to the Multifamily Housing Program:

Section 7301(g)(g)—deletes “single parent households” and “households enrolled in Welfare to Work programs” from the list of groups qualifying as “Special Needs Populations”.

Section 7301(ii)—specifies that income levels based on State Median Income are to be expressed in terms of Area Median Income.

Section 7311—substantially revises the program's rules related to tenant households whose incomes have risen to the point where they exceed the income limit applicable to their unit, mandating rent increases for some households (and filling vacant units with tenants meeting the original income qualification standard) and granting the sponsor discretion to increase rents for others.



Section 7312(a)—allows sponsors to charge new tenants rents based on area median income, without regard to the cap required under 7312(c).

Section 7312(c)—revises the cap on annual rent increases from 150% of CPI to a flat 5%.

Section 7312(d)—grants the Department authority to approve rent increases above the amount allowed by the standard rent increase formula if required to preserve project fiscal integrity.

Section 7314—adds specific cost reasonableness standards regarding site improvement costs.

Section 7320(b)(7)—adds a new application scoring criterion, to reflect the requirements of Health and Safety Code section 50675.13, which was added by of SB 1227 of 2002. Under this new criterion, points will be awarded to projects that qualify as infill or adaptive reuse developments, or that are located in proximity to public transit, public schools, parks and recreational facilities, or job centers.

Section 7320(b)(5)—modifies the scale used to score application leveraging.

Section 7320(c)—adds a tiebreaker to the application selection process. The proposed tiebreaker is the average affordability of the restricted units.

#### IMPACT OF PROPOSED REGULATIONS

The regulations codify program requirements that will result in reducing the rent burden for low-income renter households in California by increasing and preserving the supply of affordable multifamily rental housing. The program helps alleviate the problems of large numbers of California's renters facing excessive housing costs and overcrowded or substandard living conditions. Many of these lower-income renters also have special housing needs arising from a disability. The program regulations are designed to provide financing to projects that meet the array of rental housing needs presented by these low-income and special needs populations.

#### AFFECT ON SMALL BUSINESS

The proposed regulations do not affect small businesses. The reason for this finding is that participation in the three effected programs is voluntary. Applicants to the program that qualify as small businesses have determined that program funds will provide the financing necessary to allow development of their projects. The non-profit and for-profit small business applicants benefit from the below market interest rate offered by the program.

#### LOCAL MANDATE

The proposed regulatory activity will not impose a mandate on local agencies or school districts. Eligibility for the program is limited to entities demonstrating

willingness and capacity to develop affordable rental housing. In any case, participation in the program is voluntary.

#### FISCAL IMPACT

This regulatory activity does not impose any cost on any local agency or school district that is required to be reimbursed under Part 7 (commencing with sec. 17500) of Division 4 of the Government Code; neither does the regulatory activity result in any other nondiscretionary cost or savings imposed on local agencies or in any cost or savings to any state agency (other than the Department). Public entities, including local governments and nonprofits organizations are eligible to apply for . loans from the programs effected by this rulemaking action. However, participation is voluntary, not mandatory.

By bringing the rules for various programs into conformance with each other, the Department believes that, over time, the proposed changes will result in modest reductions in administrative costs.

#### EFFECT ON HOUSING COSTS

By reducing the number of different sets of rules that project sponsors must comply with, these regulations will modestly reduce the costs of such compliance, which should modestly reduce the overall cost of housing assisted by the effected programs.

#### INITIAL DETERMINATION OF STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY EFFECTING BUSINESSES

The Department has made an initial determination that the proposed action will not have a significant statewide adverse economic impact directly effecting businesses, including the ability of California businesses to compete with businesses in other states.

#### ASSESSMENT STATEMENT

The Department has determined that the regulations will not significantly affect the creation or elimination of jobs in California; the creation of new businesses or the elimination of existing businesses within California; or the expansion of businesses currently operating in California. In any case, participation in the program would be voluntary.

#### STATEMENT OF POTENTIAL COSTS IMPACT ON PRIVATE PERSONS AND BUSINESS DIRECTLY AFFECTED

The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. While private businesses (including nonprofits) and individuals are eligible to receive program funds under the program, participation is voluntary.

**CONSIDERATION OF ALTERNATIVES**

The Department of Housing and Community Development must determine that no reasonable alternative considered by the Department or that has otherwise been identified and brought to the attention of the Department would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

**AVAILABILITY OF TEXT OF PROPOSED  
REGULATIONS AND STATEMENT  
OF REASONS**

The text of the proposed regulations, along with the Initial Statement of Reasons prepared by the Department, which provides the reasons for the proposals, is available on the Department's web site, at [www.hcd.ca.gov](http://www.hcd.ca.gov). All information the Department is considering as a basis for this proposal is maintained in a rulemaking file, which is available for inspection at the address noted below. Copies can be obtained by contacting Michael Pope at the address and telephone number noted below.

**AVAILABILITY OF CHANGED  
OR MODIFIED TEXT**

Following the written comment period, the Department may adopt the proposed regulations substantially as described in this notice. If the Department makes modifications, which are sufficiently related to the originally proposed text, it will make the modified text—with changes clearly indicated—available to the public for at least 15 days before the Department adopts the regulations as revised. Please send requests for copies of any modified regulations to the attention of Michael Pope at the address indicated below. The Department will accept written comments on the modified regulations for 15 days after the date on which they are made available.

**AVAILABILITY OF RULEMAKING DOCUMENTS**

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below.

**AVAILABILITY OF FINAL  
STATEMENT OF REASONS**

At the conclusion of this rulemaking, a Final Statement of Reasons will be prepared as required by Government Code section 11346.9. This document will be available from the contact person named below.

**CONTACT INFORMATION PERSON**

HCD: Michael Pope (916) 327-5704  
or Russ Schmunk (916) 327-2867

HCD Back-Up: Lenora Frazier  
(916) 324-3785

HCD Address: State Department of Housing and  
Community Development  
1800 Third Street, Room 360  
Sacramento, California 95814

HCD Website: Copies of the Notice of Proposed  
Action, the Initial Statement of Reasons, and the text of the regulations  
may be accessed through our website  
at [www.hcd.ca.gov](http://www.hcd.ca.gov)

HCD Facsimile No: (916) 445-0117

The Department invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period. Direct inquiries concerning the substance of the proposed rulemaking action and any requests for the documents noted above should be made to either Michael Pope or Russ Schmunk at the following address:

California Department of Housing and  
Community Development  
P.O. Box 952054, MS 390-5  
Sacramento, California 94252-2054  
Telephone (916) 327-5704 (Michael Pope) or  
(916) 327-2867 (Russ Schmunk)  
Fax (916) 445-0117 (Michael Pope) or  
(916) 327-6660 (Russ Schmunk)  
[mpope@hcd.ca.gov](mailto:mpope@hcd.ca.gov) or [rschmunk@hcd.ca.gov](mailto:rschmunk@hcd.ca.gov)

**TITLE 28. DEPARTMENT OF  
MANAGED HEALTH CARE**

**NOTICE OF INTENT TO ADOPT REGULATIONS  
REGARDING CONTRACTS WITH PROVIDERS:  
WAITING ROOM NOTICES SECTION 1300.67.8**

**NOTICE IS HEREBY GIVEN**

The Director of the Department of Managed Health Care (Director) proposes to amend regulations under the Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene Act). Amending section 1300.67.8 in title 28, California Code of Regulations (regulations) would require a provision in plan contracts with providers that a notice be posted in provider waiting rooms containing information on how enrollees may resolve a problem with their health care service plan. Before undertaking the action, the Director will consider all comments, objections, and recommendations regarding the proposed action.

**PUBLIC HEARING**

No public hearing is scheduled. Any interested person or his or her duly authorized representative may request, in writing, a public hearing pursuant to section 11346.8(a) of the Government Code. The

request for hearing must be received by the Department of Managed Care's (Department) contact person designated below no later than 15 days prior to the close of the written comment period.

#### WRITTEN COMMENT PERIOD/ CONTACT PERSON

Notice is also given that any interested person, or his or her authorized representative, may present statements or arguments relevant to the proposed action by a written communication addressed to, and received by, Lyn Amor Macaraeg, Legal Analyst, on or before 5 p.m., **June 23, 2003**. If this day is a Saturday, Sunday or state holiday, the comment period will close at 5 p.m. on the next business day. Comments may also be submitted to Ms. Macaraeg by facsimile (916/322-3968) or e-mail at [lmacaraeg@dmhc.ca.gov](mailto:lmacaraeg@dmhc.ca.gov) before the close of the comment period.

#### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Health and Safety Code section 1342(b) state as one of the purposes and intent of the Knox-Keene Act is to ensure that subscribers and enrollees are educated and informed of the benefits and services available in order to enable a rational consumer choice in the marketplace.

Health and Safety Code section 1342(h) defines as one of the purposes and intent of the legislature of the Knox-Keene Act is to ensure that subscribers and enrollees have their grievances expeditiously and thoroughly reviewed by the Department.

Health and Safety Code section 1367(d) states the requirements of each health care service plan, including furnishing services in a manner providing continuity of care and ready referral of patients to other providers at times as may be appropriate consistent with good professional practice.

Health and Safety Code section 1368(a)(2) mandates that all plans shall have a grievance system, that will, among other things, inform its subscribers and enrollees of the procedure for processing and resolving grievances.

Health and Safety Code section 1368.02(b) states that every health care service plan shall publish the department's toll-free telephone number and internet website on any written communications to an enrollee that offer the enrollee the opportunity to participate in the grievance process of the plan.

Health and Safety Code section 1374.30(i) mandates that all health care service plans shall prominently display information concerning the right of the enrollee to request an independent medical review.

Health and Safety Code section 1374.31 addresses the procedure for expeditious independent medical review in cases of imminent and serious threat to the health of the enrollee.

Despite the strides taken by both the plans and the Department to institute procedural mechanisms to resolve problems between an enrollee and their plan, such as the HMO Help Center, independent medical review, and each plan's individual grievance system, these tools cannot serve their purpose effectively unless all enrollees are made aware that these resources are available to them. Making this information readily available to enrollees is consistent with the purpose and intent of the Knox-Keene Act since doing so would likely increase an enrollee's opportunity to participate in grievance procedures, as well as increasing the likelihood of having enrollees' grievances be expeditiously and thoroughly reviewed by the Department. Based on the time sensitive situations that enrollees face when suffering from a serious health condition, every minute counts, and it is necessary that the proposed regulation be promulgated requiring providers' to post sufficient notice in their waiting rooms/ reception areas notifying all enrollees of the resources available to them when resolving a problem with a plan.

#### AUTHORITY

Health and Safety Code section 1344 grants the Director authority to adopt, amend, and rescind such rules, forms, and orders as are necessary to carry out the provisions of the Knox- Keene Act.

#### REFERENCE

The Director proposes these revisions to the regulations to implement, interpret, or make specific sections 1342, 1367, 1368, 1368.02, 1374.30, and 1374.31 of the Health and Safety Code.

#### AVAILABILITY OF MODIFIED TEXT

The text of any modified regulation, unless the modification is only non-substantial or solely grammatical in nature, will be made available to the public at least 15 days prior to the date the Department adopts the regulations. A request for a copy of any modified regulation(s) should be addressed to the contact person designated below. The Director will accept written, faxed or e-mailed comments on the modified regulation(s) for 15 days after the date on which they are made available. The Director may thereafter adopt, amend or repeal the foregoing proposal substantially as set forth above without further notice.

#### AVAILABILITY OF STATEMENT OF REASONS, TEXT OF PROPOSED REGULATION(S)

A statement of reasons for the proposed action containing all the information upon which the proposal is based is available from the contact person designated below. As required by the Administrative Procedure Act, the Department of Managed Health Care, Office of Legal Services maintains the rulemak-



ing file. At the present time, the rulemaking file consists of the text of the regulation, the initial statement of reasons, and the notice. The rulemaking file is available for public inspection at the Department of Managed Health Care, Office of Legal Services, 980 Ninth Street, Suite 500, Sacramento, California, 95814.

#### **AVAILABILITY OF DOCUMENTS ON THE INTERNET**

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulations in underline and strikeout may be accessed at the Department's website at <http://www.dmhca.ca.gov/library/regulations/>.

#### **ALTERNATIVES CONSIDERED**

Pursuant to Government Code section 11346.5, subdivision (a)(13), the Department must determine that no reasonable alternative considered by the Department or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the above action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

The Department invites interested persons to present statements or arguments with respect to alternatives to the proposed regulation during the public comment period.

#### **FISCAL IMPACT**

- Mandate on local agencies and school districts: None
- Cost or Savings to any State Agency: None.
- Direct or Indirect Costs or Savings in Federal Funding to the State: None.
- Cost to Local Agencies and School Districts Required to be Reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code: None.
- No other non-discretionary cost or savings are imposed on local agencies.
- Costs to private persons or businesses directly affected: The Department is not aware of any significant cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.
- Effect on Housing Costs: None.

#### **DETERMINATIONS**

The Director has determined that the proposed regulatory action:

- Does not affect small businesses. Health care service plans are not considered a small business under Government Code section 11342.610(a).
- Does not impose a mandate on local agencies or school districts, or a mandate which requires reimbursement pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.
- Does not have a significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.
- Does not significantly affect (1) the creation or elimination of jobs within the State of California; (2) the creation of new businesses or the elimination of existing businesses within the State of California; (3) the expansion of businesses currently doing business within the State of California.

#### **AVAILABILITY OF FINAL STATEMENT OF REASONS**

Upon its completion, copies of the final statement of reasons may be obtained through the contact person(s) designated below.

#### **CONTACT PERSON**

Comments or substantive inquiries concerning these proposed regulation changes may be directed to:

Brian J. Bartow, Assistant Chief Counsel  
Office of Legal Services,  
Department of Managed Health Care  
980 Ninth Street, Suite 500  
Sacramento, California 95814  
(916) 322-6727.

The backup contact person is:

Lyn Amor Macaraeg, Legal Analyst  
Office of Legal Services,  
Department of Managed Health Care  
980 Ninth Street, Suite 500  
Sacramento, California 95814  
(916) 322-6727.

### **GENERAL PUBLIC INTEREST**

#### **CALIFORNIA BOARD OF ACCOUNTANCY**

#### **NOTICE OF CONTINUATION OF REGULATORY HEARING**

The California Board of Accountancy published a Notice of Proposed Action on Regulations in the



California Regulatory Notice Register, Register 2003, No. 5-Z, dated January 31, 2003, indicating that a public hearing was scheduled to take place on March 22, 2003, in Santa Monica, California.

The Board has continued that portion of the hearing that concerns proposed Sections 51.1, 59, 60, 61, 68.2, 68.3, 68.4, and 68.5, Title 16 of the California Code of Regulations to May 16, 2003, at 2:00 p. m. at the Shelter Pointe Hotel, 1551 Shelter Island Drive, San Diego, California 92106. At this hearing, any interested person may present statements or arguments orally or in writing relevant to the specified proposed regulations. In addition, written comments may be submitted to the Board at the address given below until 12:00 noon on May 13, 2003.

Inquiries and written comments related to the May 16, 2003, hearing should be directed to:

Name: Aronna Granick  
 Address: California Board of Accountancy  
 2000 Evergreen Street, Suite 250  
 Sacramento, CA 95815  
 Telephone No.: (916) 263-3788  
 Fax No.: (916) 263-3675  
 E-Mail Address: regcomment103@cba.ca.gov

## DEPARTMENT OF FISH AND GAME

### CONSISTENCY DETERMINATION

Fish and Game Code Section 2080.1  
 CESA No. 2080-2003-006-03

#### PROJECT

Dowdy Ranch Day Use Area

#### LOCATION

Santa Clara County, Bell Station to Dowdy Ranch

#### NOTIFIER

Department of Parks and Recreation

#### BACKGROUND

On March 4, 2003, the U.S. Fish and Wildlife Service (Service) issued Biological Opinion No. 1-1-02-F-0023 for the California Department of Parks and Recreation (Parks), Dowdy Ranch Day Use Development Project (Project) describing the project actions and setting forth measures to mitigate impacts to the San Joaquin kit fox (*Vulpes macrotis mutica*) and California red-legged frog (*Rana aurora draytonii*). The San Joaquin kit fox (kit fox) is listed as threatened under the California Endangered Species Act, Fish and Game Code Sections 2050 *et seq.* ("CESA"). On March 18, 2003, the Director of the Department of Fish and Game (Department) received a notice from Parks pursuant to section 2080.1 of the

Fish and Game Code requesting a determination that the federal Biological Opinion is consistent with CESA.

The Project is the development of a new day use area to provide seasonal access to the southeastern side of Henry W. Coe State Park. Dowdy Ranch is located approximately seven miles north of Highway 152, accessed by an existing dirt road. The use area is approximately 4 acres in area. Planned facilities include a visitor center, staging area for horses, 46 vehicle parking spaces and ten horse trailer parking spaces, picnic sites, two restrooms, a shower, shade structures, a trailhead to backcountry trails in the park and local trails within the day use area. A generator and the building housing the generator will be relocated to an alternative area to provide improved access for maintenance. Access roads within the site will be realigned and paved and gates will be installed at the entrance to the day use area, near the intersection of the upper loop trail with an internal maintenance road and at the entrance to the park off Highway 152. Utilities including potable well water, electrical service and new septic systems and leach fields will be installed at the site. Existing portable restrooms, old fencing and farm equipment, two existing modular buildings and a number of cable bundles will be removed from the site. The existing unpaved entrance road will be improved by adding new base and gravel and improving erosion control measures along the road.

#### DETERMINATION

Based on the terms and conditions in the federal Biological Opinion No. 1-1-02-F-0023, the Department has determined that the Project is consistent with CESA because the Project and mitigation measures meet the conditions set forth in Fish and Game Code Section 2081(b) and (c) for authorization of incidental take of species protected under CESA. The potential for take of San Joaquin kit foxes is minimized in part because of kit fox use patterns in the area. No denning is known from the area and no resident kit fox are documented near the day use area or along the entry road. The nearest confirmed sightings are few in number (2) and appear to be dispersing individuals. A more recent sighting in the immediate area (2002) also appears to be a dispersing individual. Also important to the Department's findings are the measures from the Biological Opinion, which address expected or potential impacts to San Joaquin kit fox. These include, but are not limited to, the following:

- To prevent accidental entrapment of kit foxes, red-legged frog, or other animals during construction, all excavated or deep-walled holes or trenches more than two feet deep will be covered at the end of each workday by plywood or similar materials, or

provided with escape routes constructed of earth fill or wooden planks. Before such holes are filled they will be thoroughly inspected for trapped animals. If trapped animals are discovered, a qualified biologist will be consulted regarding release procedures.

- A qualified biologist will perform a preconstruction kit fox survey of the Dowdy Ranch area 14 to 30 days prior to the commencement of construction activities. Surveys will be conducted at the day use area and appropriate surrounding habitat within 500 feet of the day use area. All identified potential dens will be monitored for evidence of kit fox use by placing a tracking medium at den entrances and monitoring for at least three consecutive nights. If no activity is detected at these dens, they will be closed by hand. If an occupied den is identified, den closure activities will immediately be halted and the Service contacted. The Service may determine at that time that trapping and translocation of kit foxes by Service-approved biologists is appropriate. Construction activities may be postponed if occupied dens are identified.
- Construction-related vehicles will maintain a maximum 20 mph speed limit on Kaiser-Aetna Road.
- Access to the Dowdy Ranch site from the Bell Station entrance will be limited to the months of April through October.
- The Dowdy Ranch site and park entrance will close at dark daily to ensure no disruption of wildlife movement.
- No pets of any kind, except horses, will be allowed on site.
- Wildlife-proof trash containers will be sited around the project site to help control the increase in red-legged frog predators. While this condition is aimed at red-legged frogs, it has the additional effect of limiting the attractiveness of the day use area to kit foxes.
- The speed limit on Kaiser-Aetna Road for all but construction traffic will be kept at the current 25 mph limit to reduce danger to wildlife. The speed limit for all vehicles will be reduced to 10 mph on Kaiser-Aetna Road at the park property boundary line near the water tank, to protect migrating amphibians. Signs will be posted to notify the public of the speed limit change.
- Surveys for the kit fox will be conducted each spring at least two weeks prior to the annual opening of the Dowdy Ranch site to determine if natal dens are present in the habitat at and surrounding the day use area. The surveys will cover the immediate day use area and appropriate surrounding habitats within 500 feet of the day use area. Kit fox surveys will follow the methods described in the April 1997 *U.S. Fish and Wildlife*

*Service Standardized Recommendations for Protection of the San Joaquin Kit Fox Prior to or During Ground Disturbance* (Service, 1997). Survey methods will be the same as those detailed above. Annual opening of the day-use area may be postponed if occupied dens are identified.

- An informational kiosk will display educational materials that discuss the biological sensitivity of Dowdy Ranch. The signage will educate visitors about the presence and protection of the kit fox. Signage will state that horses are not allowed to enter the wetlands.

Pursuant to Section 2080.1 of the Fish and Game Code, incidental take authorization under CESA will not be required for incidental take of San Joaquin kit fox as a result of the Project. Any substantive changes to the project as described in the biological opinion, including changes to the mitigation measures, will require the notifier to obtain a new Consistency Determination or a CESA incidental take permit from the Department.

## DEPARTMENT OF FISH AND GAME

### CESA CONSISTENCY DETERMINATION FOR UPRR Yolo Bypass Trestle Installation Project Yolo County

The Department of Fish and Game ("Department") received notice on April 28, 2003 that the Union Pacific Railroad Company ("UPRR") proposes to rely on consultations between federal agencies to carry out a project that may adversely affect species protected by the California Endangered Species Act ("CESA"). This project consists of the installation of a second mainline track within their current right of way between Davis and West Sacramento in Yolo County. The activities will temporarily impact 0.58 acres of wetland and up to 5 acres of upland, and permanently impact 4.56 acres of wetlands and uplands used by giant garter snake.

The U.S. Fish and Wildlife Service, on April 17, 2003, issued to the U.S. Army Corps of Engineers ("Corps"), a no jeopardy federal biological opinion (1-1-03-F-0141) which considers the Federally and State threatened giant garter snake (*Thamnophis gigas*), and authorizes incidental take. A minor amendment to the biological opinion was issued on April 18, 2003 (1-1-03-F-0153) to clarify the permitted construction season.

Pursuant to California Fish and Game Code Section 2080.1, UPRR is requesting a determination on whether federal biological opinion 1-1-03-F-0141 and amendment 1-1-03-F-0153 are consistent with CESA.

The consistency determination is requested for the giant garter snake, which is Federally and State threatened.

If the Department determines that the federal biological opinion and the amendment are consistent with CESA, UPRR will not be required to obtain an incidental take permit under CESA for the proposed project.

## DEPARTMENT OF TOXIC SUBSTANCES CONTROL

CALIFORNIA REGULATORY REGISTER  
NOTICE ACTION DESCRIPTION FOR A SMALL  
LOAD OPERATIONS VARIANCE ISSUED BY  
THE STATEWIDE COMPLIANCE DIVISION,  
TRANSPORTATION SECTION, FOR AQUI, INC.

On April 23, 2003, the Department of Toxic Substances Control (DTSC), granted a regulatory exemption variance to AQHI, Inc., a registered transporter of hazardous waste, to conduct small load operations authorized under the California Code of Regulations, title 22, section 66263.46. The variance permits the grantee to transport up to 100 kilograms of asbestos waste per load, and no greater than 1000 kilograms per calendar month, directly to an authorized facility. In lieu of a manifest, the transporter shall use a shipping paper which contains all the information required pursuant to the Code of Federal Regulations, title 49, part 172.

**CEQA Exemption.** The project qualifies for a CEQA exemption under Public Resources Code Section 21080(b)(1), Ministerial Projects. This variance is issued pursuant to Chapter 13, Article 4, Section 66263.40 et seq. (Regulatory Exemptions for Certain Transportation Operations), that allows for five specific types of transportation requirement exemptions. Applicants must meet preset regulatory standards. In applying these standards, DTSC only verifies specific facts regarding eligibility and may not add case-specific conditions.

The variance expires on May 31, 2004. For more information please call Maria Salomon of DTSC's Transportation Section at (916) 255-3624.

## HOUSEHOLD HAZARDOUS WASTE UNIT STATE REGULATORY PROGRAMS DIVISION PUBLIC NOTICE FOR VARIANCE ISSUANCE

On April 11, 2003, the State Regulatory Programs Division of the Department of Toxic Substances Control (DTSC) issued a three-year variance renewal to the San Bernardino County Fire Department. Authority for this action is contained in Health and Safety Code section 25143. The variance authorizes San Bernardino County Fire Department to collect hazardous waste from qualified Conditionally Exempt Small Quantity Generator (CESQG) sites and to

transport the wastes using a registered hazardous waste transporter. The collected wastes will be transported under manifest or bill of lading, as appropriate, to the central San Bernardino Permanent Household Hazardous Waste Collection Facility authorized under a Permit-by-Rule. Standards exempted are contained in Health and Safety Code sections 25160, 25201, subdivision (a) and 25218.3, subdivision (b). For additional information contact Asha Arora of the Department of Toxic Substances Control, Household Hazardous Waste Unit at (510) 540-3874.

## RULEMAKING PETITION DECISIONS

### DEPARTMENT OF HEALTH SERVICES

April 25, 2003

C. Keith Greer, Esq.  
16787 Bernardo Center Drive, Suite 14  
San Diego, CA 92128

Subject: California Podiatric Medical Association  
Petition to Amend Medi-Cal Regulations

Dear Mr. Greer:

This is in response to your October 11, 2002 petition filed on behalf of the California Podiatric Medical Association (CPMA) to amend certain Medi-Cal regulations concerning reimbursement of Doctors of Podiatric Medicine (D.P.M.'s). As you know, the Department of Health Services (Department) has thoroughly reviewed the petition. This review has included two meetings between Stan Rosenstein, members of the Department's legal staff and myself with you, CPMA President, Thomas Neuman, and other members of the Association.

As you know, the petition and the subsequent meetings were the catalyst for a change in Medi-Cal rates that will take effect on July 1, 2003, subject to Legislative approval. As previously reported to Dr. Neuman, the Department will eliminate all differences in Medi-Cal rates of reimbursement to physicians and podiatrists. Of course, the rates paid for Medi-Cal Services may be changed by the 2003-2004 Budget Act. However, services provided to Medi-Cal beneficiaries by podiatrists after the effective date of this change will be reimbursed at the level paid to physicians for the same services. Although this change in rates does not require a regulation change, it was raised in your petition and is a significant program change.



The Department's response to the other issues raised in the petition is not as positive. After careful analysis and deliberation, it is necessary to deny the Association's request to make other regulation changes. In the petition, the CPMA asked for changes to California Code of Regulations, title 22, sections 51510 and 51304. We have determined that these changes are inconsistent with the permissible scope of practice of podiatrists or with the Department's statutory obligation to establish utilization controls to limit Medi-Cal costs and opportunities for Medi-Cal fraud. Each of the specific regulation changes requested in the petition is addressed below.

1. Requested action: Delete limitations on E&M coding for office visits, which are currently limited to procedure codes 99201-99203 and 99211-99213.

Response: Deny. The American Medical Association's Physicians' Current Procedural Terminology (CPT-4) defines the higher level Evaluation and Management codes as requiring more extensive levels of history, examination and medical decision-making than a podiatry office visit would entail. For example, CPT-4 codes 99204 (new patient) and 99214 (established patient) require a detailed examination of an organ system. The content and documentation of musculoskeletal system examination must include "Examination of joint(s), bone(s) and muscle(s)/tendon(s) of four of the following six areas: 1) head and neck; 2) spine, ribs and pelvis; 3) right upper extremity; 4) left upper extremity; 5) right lower extremity; and 6) left lower extremity". Likewise, the content and documentation of CPT-4 codes 99205 (new patient, comprehensive) and 99215 (established patient, comprehensive) require examinations that are beyond the scope of practice of D.P.M.'s. Under Medi-Cal, the scope of practice of podiatry is "... limited to medical and surgical services necessary to treat disorders of the feet, ankles, or tendons that insert into the foot, secondary to or complicating chronic medical diseases or which significantly impair the ability to walk." (§ 51310.) Without authority that supports expansion of this scope of practice to include detailed or comprehensive Evaluation and Management services similar to those performed by other physicians, we are unable to allow D.P.M.'s to bill for the detailed or comprehensive levels of Evaluation and Management services.

2. Delete the requirement of TARs for treatment within the scope of a D.P.M.'s licensure, which would not require a TAR if performed by a M.D. or D.O.
4. Delete the requirement of a TAR before a D.P.M. can see patients in a hospital.

5. Delete the requirement of a TAR before a D.P.M. can see patients in Nursing Homes and other licensed care facilities.

Response: Deny. The Department has broad authority to establish utilization controls in the Medi-Cal program (See Welf. & Inst. Code section 14133). One of these controls is the requirement of prior authorization of services to be provided to Medi-Cal beneficiaries through treatment authorization requests (TARs). TARs are one of primary ways that the Department limits program costs and adverse health impacts to beneficiaries from services that are not medically necessary.

The petition correctly notes that there are procedures that require TARs for some provider types, but not others. These differences result from balancing the need for assuring the medical necessity of Medi-Cal services with the cost to the state of utilization controls. As a result of the current state budget deficit and the enhanced need to assure that Medi-Cal only pays for necessary services, the Department is evaluating costs and benefits of imposing TAR requirements on additional services and other providers. Under these circumstances it is inappropriate to eliminate current TAR requirements. Accordingly, the request in the petition to relax current TAR requirements on podiatric services must be denied.

3. Delete the limitation of two office visits per month when the patient is seen by a D.P.M.

Response: Deny. Again, the Department has broad authority to limit the number of services a beneficiary may receive within a specified period of time. (Welf. & Inst. Code sections 14133(d) & 14133.1(b)) The limitations in current regulations have been in effect for over 25 years and are an effective limit on over utilization and help reduce program costs. Utilization controls, such as this, help prevent fraud by limiting the number of services that can be billed to Medi-Cal or each beneficiary. As with TAR requirements, the Department will not reduce the measures now in place that help prevent fraud. In addition, the cost of additional Medi-Cal services that would result from a repeal of service limitations would add to the already dire state fiscal situation. In order to preserve existing Medi-Cal services and rates of payment to the extent possible, the request to reduce or eliminate service limitations in the petition must be denied.

As required by Government Code section 11340.7, a copy of this letter will be sent to the Office of Administrative Law for publication in the California Regulatory Notice Register. Any interested person may obtain a copy of your petition, and may request reconsideration of this decision. That request should



be made within 60 days of the date of the decision and should include the reason or reasons the decision should be reconsidered.

If you have any questions about this response, please contact Chief Administrative Law Judge Robert D. Tousignant at (916) 323-0552.

Sincerely,

Richard R. Bayquen  
Chief Deputy Director

cc: Thomas Neuman, DPM, President  
California Podiatric Medical Association  
9017 Reseda Blvd., #100  
Northridge, CA 91324-3922

cc: Stan Rosenstein  
Deputy Director  
Medical Care Services  
Department of Health Services  
714 P Street, Room 1253  
Sacramento, CA 95814  
Roberto B. Martinez, Chief  
Medi-Cal Policy Division  
Department of Health Services  
714 P Street, Room 1640  
Sacramento, CA 95814  
Allison Branscombe, Chief  
Office of Regulations  
Department of Health Services  
714 P Street, Suite 1000  
Sacramento, CA 95814  
Sheila Nolan  
Assistant Chief Counsel  
Office of Legal Services  
Department of Health Services  
714 P Street, Room 1216  
Sacramento, CA 95814

## PROPOSITION 65

### CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT

#### SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (Proposition 65)

#### NOTICE OF INTENT TO LIST CHEMICALS Extension of Public Comment Period

The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) requires the Governor to publish, and update at least annually, a list of chemicals known to the State to cause cancer or

reproductive toxicity. The Office of Environmental Health Hazard Assessment (OEHHA) is the lead agency for the implementation of Proposition 65.

On April 11, 2003, OEHHA published a notice in the *California Regulatory Notice Register* (Register 03, No. 15-Z) announcing its intent to list *di(2-ethylhexyl) phthalate (DEHP)* under Proposition 65 in accordance with the regulatory criteria in Sections 12306 of Title 22 of the California Code of Regulations. The publication of the notice initiated a 30-day public comment period which would have closed on May 12, 2003. OEHHA has received requests from interested parties seeking an extension of the comment period to allow for the submittal of complete and relevant scientific information. OEHHA hereby extends the public comment period for this chemical to 5 p.m., **Wednesday, June 11, 2003.**

Written comments provided in triplicate, along with supporting information, may be submitted to:

Ms. Cynthia Oshita  
Office of Environmental Health Hazard Assessment  
Street Address: 1001 I Street  
Sacramento, California 95814  
Mailing Address: P.O. Box 4010  
Sacramento, California 95812-4010  
Fax No.: (916) 323-8803  
Telephone: (916) 445-6900

**In order to be considered, comments must be postmarked (if sent by mail) or received at OEHHA (if hand-delivered or sent by fax) by 5 p.m., Wednesday, June 11, 2003.**

## SUMMARY OF REGULATORY ACTIONS

### REGULATIONS FILED WITH SECRETARY OF STATE

This Summary of Regulatory Actions lists regulations filed with the Secretary of State on the dates indicated. Copies of the regulations may be obtained by contacting the agency or from the Secretary of State, Archives, 1020 O Street, Sacramento, CA, 95814, (916) 653-7715. Please have the agency name and the date filed (see below) when making a request.

#### BOARD OF EQUALIZATION Special Tax Law

This rulemaking action applies general record keeping requirements and relief from liability provisions to sixteen separate tax and fee laws: Aircraft Jet Fuel Tax, Alcoholic Beverage Tax, Ballast Water Management Fee, California Tire Fee, Childhood Lead Poisoning Prevention Fee, Cigarette and Tobacco

Products Tax, Diesel Fuel Tax, Emergency Telephone Users Surcharge, Energy Resources Surcharge, Hazardous Substances Tax, Integrated Waste Management Fee, Motor Vehicle Fuel Tax, Natural Gas Surcharge, Occupational Lead Poisoning Prevention Fee, Oil Spill Response, Prevention, and Administration Fees, Underground Storage Tank Maintenance Fee, and Use Fuel Tax.

Title 18

California Code of Regulations

ADOPT: 2303, 3020, 3021, 3301, 3302, 3501, 3502, 4105, 4901, 4902 AMEND: 1124, 1177, 1178, 1248, 1271, 1332, 1335, 1422, 1470, 2250, 2255, 2343, 2431, 2432, 2500, 2570, 4026, 4027 REPEAL: 2344, 2345, 2346

Filed 04/28/03

Effective 05/28/03

Agency Contact: Diane G. Olson (916) 322-9569

#### **BOARD OF REGISTERED NURSING**

##### **Disciplinary Guidelines**

The regulatory action revises the incorporated by reference "Recommended Guidelines for Disciplinary Orders and Conditions of Probation."

Title 16

California Code of Regulations

AMEND: 1444.5

Filed 04/24/03

Effective 05/24/03

Agency Contact: Alcidia Valim (916) 323-8419

#### **BUREAU OF AUTOMOTIVE REPAIR**

##### **Gold Shield Program**

This action adopts the Bureau of Automotive Repair's Gold Shield Program (GSP).

Title 16

California Code of Regulations

AMEND: 3340.1, 3392.1, 3392.2, 3392.3, 3392.5, 3392.6 REPEAL: 3392.4

Filed 04/28/03

Effective 05/28/03

Agency Contact: James Allen (916) 255-4300

#### **DENTAL BOARD OF CALIFORNIA**

##### **RDA Educational Programs**

Existing regulation sections 1070 and 1070.1 establish the requirements that registered dental assistant programs must meet in order to obtain approval by the Board. This regulatory action amends these two section and adds section 1070.2 to (1) formalize the standards contained in the program application packet and accompanying guidelines; (2) better protect consumers; and (3) reflect current dental educational needs and trends.

Title 16

California Code of Regulations

ADOPT: 1070.2 AMEND: 1070, 1070.1

Filed 04/30/03

Effective 05/30/03

Agency Contact: Linda Madden (916) 263-2300

#### **DEPARTMENT OF BOATING AND WATERWAYS**

##### **Editorial Amendments without Regulatory Effect**

These nonsubstantive amendments update obsolete organizational addresses plus minor updates to their organizational names. It also deletes its own unnecessary agency address which is readily available from five other sources.

Title 14

California Code of Regulations

AMEND: 6504, 6578.4, 6600.1

Filed 04/30/03

Effective 05/30/03

Agency Contact: David Johnson (916) 263-0780

#### **DEPARTMENT OF CONSERVATION**

##### **Reverse Vending Machine Commingled Rates**

This rulemaking sets forth how a separate statewide coming led rate for reverse vending machines (RVMs) will be calculated.

Title 14

California Code of Regulations

AMEND: 2930

Filed 04/28/03

Effective 05/28/03

Agency Contact:

Eloisa Hernandez (916) 327-2757

#### **DEPARTMENT OF INSURANCE**

##### **Credit Insurance Agents**

This emergency rulemaking establishes the regulatory scheme for licensing and regulating credit insurance agents. (Related OAL file ## 01-0905-01E, 02-0129-02EE, 02-0531-04EE)

Title 10

California Code of Regulations

ADOPT: 2192.1, 2192.2, 2192.3, 2192.4, 2192.5, 2192.6, 2192.7, 2192.8, 2192.9, 2192.10, 2192.11, 2192.12, 2192.13 REPEAL: 01-0905-01E, 02-0129-02 EE, 02-0531-04 EE

Filed 04/29/03

Effective 04/29/03

Agency Contact: George Teekell (415) 538-4390

#### **DEPARTMENT OF INSURANCE**

##### **Amendments to Fair Claims Settlement Practices**

This action expands the applicability of the unfair claims settlement practices regulations and revises the rules that specify the insurer conduct they prohibit. It includes, for the first time, an Auto Body Repair Consumer Bill of Rights.

Title 10

California Code of Regulations

ADOPT: 2695.85 AMEND: 2695.1, 2695.2, 2695.3,

2695.4, 2695.5, 2695.6, 2695.7, 2695.8, 2695.9,  
2695.10, 2695.11, 2695.12, 2695.14  
Filed 04/24/03  
Effective 07/23/03  
Agency Contact:  
Risa Salat-Kolm (415) 538-4127

#### DEPARTMENT OF INSURANCE

Holocaust Victim Insurance Relief Act of 1999—  
Holocaust Insurance Registry

This emergency readoption establishes procedures for insurance companies doing business in California to comply with the reporting requirements of the Holocaust Victim Insurance Relief Act of 1999.

Title 10  
California Code of Regulations  
ADOPT: 2278, 2278.1, 2278.2, 2278.3, 2278.4,  
2278.5  
Filed 04/24/03  
Effective 04/24/03  
Agency Contact: Leslie Tick (415) 538-4190

#### DEPARTMENT OF PESTICIDE REGULATION

Pesticide Safety Studies Involving Humans

This Certificate of Compliance amends the standards for conducting a study of pesticide exposure involving human participants. (Previous file ##02-0711-03E, 02-1105-01 EE)

Title 3  
California Code of Regulations  
AMEND: 6000, 6710  
Filed 04/24/03  
Effective 04/24/03  
Agency Contact: Fred Bundock (916) 324-4194

#### EMPLOYMENT TRAINING PANEL

Small Business Owners

In this Certificate of Compliance regulatory action, the Employment Training Panel adopts a regulation pertaining to the agency's Small Business Pilot Project, which allows a proposal to train employees of a small business to include training for the owner of the business under specified conditions.

Title 22  
California Code of Regulations  
ADOPT: 4407.1  
Filed 04/28/03  
Effective 04/28/03  
Agency Contact: Deanna Fong (916) 327-5422

#### MEDICAL BOARD OF CALIFORNIA

In-State Guest Rotations

This action would amend the postgraduate training time limits to allow participation in guest rotations for up to 90 days.

Title 16  
California Code of Regulations  
AMEND: 1320  
Filed 04/24/03  
Effective 05/24/03  
Agency Contact:  
Kevin A. Schunke (916) 263-2368

#### MEDICAL BOARD OF CALIFORNIA

California Physician Corps Loan Repayment Program

This emergency regulatory action establishes the procedures and requirements for applying to the California Physician Corps Loan Repayment Program of 2002 for physicians who are willing to work in underserved areas.

Title 16  
California Code of Regulations  
ADOPT: 1313.01, 1313.02, 1313.03, 1313.04,  
1313.05, 1313.06  
Filed 04/25/03  
Effective 04/25/03  
Agency Contact:  
Kevin A. Schunke (916) 263-2368

#### OFFICE OF EMERGENCY SERVICES

Hazardous Substance Emergency Response Training

This action makes substantial revisions to various training programs conducted pursuant to the California Hazardous Substances Incident Response Training and Education Program.

Title 19  
California Code of Regulations  
AMEND: 2520, 2530, 2540, 2560  
Filed 04/25/03  
Effective 05/25/03  
Agency Contact: Mark Lodge (805) 549-3204

#### OFFICE OF SPILL PREVENTION AND RESPONSE

Financial Responsibility/Fund Administration

The regulatory action is the readoption of emergency regulations that dealt with Certificates of Financial Responsibility and fees for the Oil Spill Prevention and Administration Fund. (Prior OAL File Numbers 02-1104-04E and 02-1113-01EE.)

Title 14  
California Code of Regulations  
AMEND: 791.7, 870.15, 870.17, 870.19, 870.21,  
Form FG OSPR-1972  
Filed 04/30/03  
Effective 05/02/03  
Agency Contact:  
Joy D. Lavin-Jones (916) 327-0910

**OFFICE OF STATEWIDE HEALTH PLANNING  
AND DEVELOPMENT****CABG Data Reporting Requirements**

This regulatory action establishes the information necessary for reporting coronary artery bypass graft (CABG) surgery data.

Title 22

California Code of Regulations

ADOPT: 97170, 97172, 97174, 97176, 97178,  
97180, 97182, 97184, 97186, 97188, 97190, 97192,  
97194, 97196, 97198

Filed 04/29/03

Effective 05/29/03

Agency Contact: Joseph Parker (916) 322-9298

**STATE TREASURER****Amendment of Conflict of Interest Code**

The Office of the State Treasurer is making editorial corrections to its conflict of interest code filing found at the captioned citation. These changes were approved by the Fair Political Practices Commission for filing in a prior file No. 02-1227-04P on December 12, 2002..

Title 2

California Code of Regulations

AMEND: 1897

Filed 04/28/03

Effective 05/28/03

Agency Contact:

Tom Noguerola (916) 651-9479

**STATE WATER RESOURCES CONTROL BOARD****Electronic Submission of Laboratory Data for  
UST Reports**

The regulatory action is the readoption of emergency regulations dealing with the electronic submission of laboratory data for underground storage tank reports.(Prior OAL files: 01-0228-03E, 01-0522-01EE, 02-0816-03EE and 02-1227-03EE.)

Title 23

California Code of Regulations

ADOPT: 2729, 2729.1

Filed 04/28/03

Effective 05/01/03

Agency Contact: Kevin Graves (916) 341-5782

**CCR CHANGES FILED WITH THE  
SECRETARY OF STATE  
WITHIN DECEMBER 25, 2002  
TO APRIL 30, 2003**

All regulatory actions filed by OAL during this period are listed below by California Code of Regulation's titles, then by date filed with the Secretary of State, with the Manual of Policies and Procedures changes adopted by the Department of

Social Services listed last. For further information on a particular file, contact the person listed in the Summary of Regulatory Actions section of the Notice Register published on the first Friday more than nine days after the date filed.

**Title 1**

01/21/03 REPEAL: 121, 122, 123, 124, 125, 125.5,  
126, 127, 128, Appendix A

**Title 2**

04/28/03 AMEND: 1897

04/21/03 ADOPT: 1185.02, 1186 AMEND: 1181.1,  
1183, 1183.01 1185, 1185.01, 1185.02,  
1185.1, Article 6 title. REPEAL: 1185.2,  
1186, 1186.1, 1186.2, 1186.3, 1188.5

04/10/03 AMEND: 18313

04/09/03 ADOPT: 18550.1 AMEND: 18225.7

04/04/03 AMEND: 599.885

04/03/03 ADOPT: 23000, 23100, 23100, 23200,  
23300

04/03/03 AMEND: 599.515

04/01/03 AMEND: 52.4

03/27/03 ADOPT: 18754

03/24/03 AMEND: 321

02/28/03 AMEND: 599.931

02/27/03 ADOPT: 1859.2, AMEND: 1859.2,  
1859.20, 1859.21, 1859.74.2, 1859.74.3,  
1859.74.4, 1859.75, 1859.75.1,  
1859.78.3, 1859.79, 1859.81.1, 1859.83,  
1859.107, and 1859.145

02/25/03 REPEAL: 18707.3

02/24/03 AMEND: 18312

02/24/03 ADOPT: 2430, 2431, 2432, 2433, 2434,  
2435, 2436, 2437, 2438, 2439, 2440,  
2441, 2442, 2443, 2444, 2445

02/19/03 AMEND: 1859.79, 1859.79.3, 1859.81.1,  
1859.83, 1859.107

02/18/03 AMEND: 18991

02/18/03 AMEND: 18704.2

02/13/03 AMEND: 1859.77.2

02/13/03 ADOPT: 1859.160, 1859.161, 1859.162,  
1859.162.1, 1859.163, 1859.164,  
1859.164.1, 1859.165, 1859.166,  
1859.166.1, 1859.167, 1859.168,  
1859.169, 1859.170, 1859, 171 AMEND:  
1859.2, 1859.51, 1859.103, 1859.106,  
1859.145.1

02/11/03 AMEND: 1897

02/11/03 AMEND: 1555

02/06/03 ADOPT: 50

02/06/03 ADOPT: 1859.74.5, 1859.74.6,  
1859.81.2, 14859.81.3, 1859.105.2  
AMEND: 1859.2, 1859.74, 1859.76,  
1859.77.1, 1859.81.1, 1859.90, 1859.103,  
1859.104

02/03/03 ADOPT: 649.23, 649.24, 649.25

02/03/03 AMEND: 649.11



01/30/03 ADOPT: 18530.2  
 01/16/03 AMEND: 18703.4, 18730, 18940.2, 18942.1, 18943  
 01/16/03 ADOPT: 1859.71.2, 1859.78.4, 1859.108  
 AMEND: 1859.50, 1859.70, 1859.72, 1859.73.1, 1859.73.2, 1859.74.1, 1859.75.1, 1859.76, 1859.78.2, 1859.79.3, 1859.81, 1859.81.1, 1859.82, 1859.100, 1859.101, 1859.102, 1859.107  
 01/16/03 AMEND: 18705.1  
 01/16/03 AMEND: 18700  
 01/16/03 ADOPT: 18545  
 01/13/03 ADOPT: 1866.4.1, 1866.4.2, 1866.4.3, 1866.4.4, 1866.4.6, 1866.4.7, 1866.5.1, 1866.5.2, 1866.5.4, 1866.5.5, 1866.5.6, 1866.5.7, 1866.5.8, 1866.9.1, 1866.12, 1866.13, 1866.14 AMEND: 1866, 1866.1, 1866.2, 1866.3, 1866.4, 1866.5, 1866.5.3, 1866.7, 1866.8, 186  
 01/08/03 ADOPT: 18535

### **Title 3**

04/24/03 AMEND: 6000, 6710  
 04/21/03 AMEND: 3423(b)  
 04/21/03 AMEND: 3417(b)  
 04/15/03 AMEND: 3423(b)  
 04/08/03 ADOPT: 760, 760.1, 760.2, 760.3, 760.4, 760.5, 760.6, 760.7, 760.9 REPEAL: 760, 765  
 04/07/03 AMEND: 3417(b)  
 04/03/03 AMEND: 300(c)  
 04/01/03 AMEND: 3417(b)  
 03/26/03 ADOPT: 797  
 03/20/03 AMEND: 3700(c)  
 02/06/03 ADOPT: 3650, 3651, 3652, 3653, 3654, 3655, 3656, 3657, 3658, 3659, 3660, 3661, 3662, 3663, 3663.5  
 02/03/03 AMEND: 3700(c)  
 01/28/03 AMEND: 3417(b)  
 01/27/03 AMEND: 3700(C)  
 01/21/03 ADOPT: 6450, 6450.1, 6450.2, 6450.3, 6784 AMEND: 6000 REPEAL: 6450, 6450.1, 6450.2, 6450.3, 6784  
 01/06/03 AMEND: 1380.19(l), 1428.17, 1436.37

### **Title 4**

04/09/03 AMEND: 1467  
 03/06/03 AMEND: 8072, 8074  
 02/13/03 ADOPT: 10151, 10152, 10153, 10154, 10155, 10156, 10157, 10158, 10159, 10160, 10161, 10162  
 01/27/03 ADOPT: 12300, 12301, 12302, 12303, 12304, 12305, 12306, 12307, 12308, 12309, 12310 AMEND: 12300, 12301, 12302, 12303, 12304, 12305, 12306, 12307, 12308, 12309, 12310

### **Title 5**

04/21/03 ADOPT: 11990  
 04/15/03 AMEND: 18106  
 04/14/03 AMEND: 11510, 11512.5(a)(11), 11517 REPEAL: 11510(j)  
 04/07/03 ADOPT: 80020.1  
 04/03/03 ADOPT: 11971, 11972, 11973, 11974, 11975, 11976, 11977, 11978, 11979, 11980  
 03/18/03 AMEND: 20438, 20440  
 02/24/03 AMEND: 18301  
 02/14/03 ADOPT: 54400  
 01/30/03 AMEND: 80043  
 01/29/03 AMEND: 31000, 31001, 31003, 31004, 31005, 31006, 31007  
 01/27/03 ADOPT: 42397, 42397.1, 42397.2, 42397.3, 42397.4, 42397.5, 42397.6, 42397.7, 42397.8, 42397.9, 42397.10, 42397.11  
 01/16/03 ADOPT: 9531, 9532  
 01/08/03 ADOPT: 11303, 11304, 11305, 11306, 11307, 11308, 11316 AMEND: 11303, 11304, 11305 REPEAL: 4304 4306, 4311, 4312

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04/09/03 AMEND: 15210  
 04/07/03 AMEND: 15251  
 03/26/03 AMEND: 3279, 3280  
 03/03/03 ADOPT: 17000 REPEAL: 17000  
 02/24/03 AMEND: 451, 527  
 01/30/03 AMEND: 336  
 01/29/03 ADOPT: 10133.16, 10133.17, 10133.18, 10133.19, 10133.20, 10133.21, 10133.22, 10122.1, 10127.3, 10131.2, 10133.10, 10133.11, 10133.12, 10133.13, 10133.14, 10133.15 AMEND: 10122, 10131, 10133, 10133.2 REPEAL: 10133.1  
 01/28/03 AMEND: 1604.5(c)(3) 1604.6(a)  
 01/21/03 ADOPT: 339.9 AMEND: 339.8.1  
 01/09/03 AMEND: 769  
 01/09/03 AMEND: 9771, 9771.2, 9771.66, 9772, 9779, 9779.1, 9779.3, 9779.4, 9779.45  
 01/09/03 ADOPT: 412.2 AMEND: 403, 404, 405.1, 411, 411.1, 411.2, 418, 420 REPEAL: 407, 407.1, 407.2, 407.3,  
 01/08/03 ADOPT: 46.1  
 01/06/03 AMEND: 1527  
 01/03/03 AMEND: 344.30  
 12/30/02 ADOPT: 10114.1, 10114.2, 10114.3, 10114.4, 101002, 10103.2, 10106.1, 10107.1, 10111.2, 10113.1, 10113.2, 10113.3, 10113.4, 10113.5, 10113.6 AMEND: 10104, 10105, 10106.5, 10108, 10109, 10113, 10114, 10115.1 REPEAL: 10115.3  
 12/30/02 AMEND: 14300.10, 14300.12, 14300.29

**Title 9**

03/25/03 AMEND: 821  
02/20/03 AMEND: 9100  
01/02/03 AMEND: 10355  
12/26/02 ADOPT: 7149.1 AMEND: 7174

**Title 10**

04/29/03 ADOPT: 2192.1, 2192.2, 2192.3, 2192.4, 2192.5, 2192.6, 2192.7, 2192.8, 2192.9, 2192.10, 2192.11, 2192.12, 2192.13 REPEAL: 01-0905-01E, 02-0129-02 EE, 02-0531-04 EE  
04/24/03 ADOPT: 2695.85 AMEND: 2695.1, 2695.2, 2695.3, 2695.4, 2695.5, 2695.6, 2695.7, 2695.8, 2695.9, 2695.10, 2695.11, 2695.12, 2695.14  
04/24/03 ADOPT: 2278, 2278.1, 2278.2, 2278.3, 2278.4, 2278.5  
04/17/03 AMEND: 5002  
03/27/03 AMEND: 260.211, 260.211.1  
03/20/03 ADOPT: 2700, 2700.1, 2701, 2702  
03/20/03 ADOPT: 2187.4  
03/13/03 ADOPT: 2020, 2021 AMEND: 250.51  
03/10/03 ADOPT: 2175, 2175.1, 2175.2, 2175.3, 2175.4, 2175.5, 2175.6, 2175.7, 2175.8, 2175.9, 2175.10, 2176, 2176.1 2176.2, 2176.3, 2176.4, 2177, 2177.1, 2177.2, 2177.3, 2177.4, 2177.5, 2177.6, 2177.7, 2177.8, 2177.9, 2177.10, 2177.11, 2177.12, 2177.13, 2177  
03/10/03 ADOPT: 2670.1, 2670.2, 2670.3, 2670.4, 2670.5, 2670.6, 2670.7, 2670.8, 2670.9, 2670.10, 2670.11, 2670.12, 2670.13, 2670.14, 2670.17, 2670.18, 2670.19, 2670.20, 2670.21, 2670.22, 2670.23, 2670.24,  
03/06/03 AMEND: 2130.3  
03/04/03 ADOPT: 260.230, 260.230.1, 260.231.2, 260.231.3, 260.236.1, 260.236.2, 260.237.2 AMEND: 260.231, 260.236, 260.237.1, 260.240, 260.241.2, 260.241.3, 260.241.4, 260.242  
02/27/03 ADOPT: 5.6182, 5.6183, 30.30, 30.31, 30.40, 30.41, 30.50, 30.51, 30.60, 30.61, 30.70, 30.71, 30.72, 30.73, 30.105, 30.402, 30.406, 30.500, 30.802, 30.1000 AMEND: 30.101, 30.102, 30.103, 30.300, 30.301, 30.302, 30.304, 30.306, 30.401, 30.403, 30.404  
02/13/03 AMEND: 3200  
02/11/03 AMEND: 2646.6 REPEAL: 2646.7, 2646.8, 2646.9, 2646.10, 2646.11  
01/21/03 AMEND: 2690.1, 2690.2  
01/16/03 AMEND: 2498.6  
01/13/03 ADOPT: 2498.6  
01/02/03 AMEND: 2509.40, 2509.41, 2509.42, 2509.45, 2509.77

12/31/02 AMEND: 2318.6, 2353.1, and 2354.  
12/26/02 ADOPT: 2278, 2278.1, 2278.2, 2278.3, 2278.5

**Title 11**

04/07/03 AMEND: 1005, 1052, D-2  
04/03/03 ADOPT: 977.52 AMEND: 977.20, 977.43, 977.44, 977.45, 977.50, 977.51  
02/06/03 AMEND: 1005, 1070, 1082  
02/03/03 AMEND: 1081(a)(31), 1081(a)(32)  
01/17/03 ADOPT: 3100, 3101, 3102, 3103, 3200, 3201, 3203, 3204 AMEND: 3000, 3001, 3002, 3003, 3007, 3008

**Title 13**

04/17/03 AMEND: 115.07  
04/17/03 ADOPT: 157.00  
04/16/03 AMEND: 1956.8  
04/14/03 AMEND: 2412(b)  
03/03/03 ADOPT: 225.00, 225.06, 225.12, 225.15, 225.21, 225.24, 225.27, 225.30, 225.33, 225.39, 225.48, 225.57, 225.60, 225.66, and 225.69 AMEND: 225.03, 225.09, 225.18, 225.36, 225.42, 225.45, 225.51, 225.54, 225.63, and 225.72  
02/21/03 AMEND: 110.04  
02/18/03 REPEAL: 260.01, 262.00, 262.05  
02/06/03 AMEND: 55.17  
02/04/03 ADOPT: 551.14, 551.15, 551.16, 551.17 AMEND: 553.40, 595  
01/03/03 ADOPT: 2606 AMEND: 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610

**Title 14**

04/30/03 AMEND: 791.7, 870.15, 870.17, 870.19, 870.21, Form FG OSPR-1972  
04/30/03 AMEND: 6504, 6578.4, 6600.1  
04/28/03 AMEND: 2930  
04/17/03 AMEND: 11945  
04/15/03 ADOPT: 3704.1  
04/15/03 ADOPT: 1.39, 1.49, 27.83 AMEND: 27.82  
04/14/03 ADOPT: 1.92 AMEND: 671, 671.1  
04/08/03 AMEND: 791.7  
04/07/03 ADOPT: 4970.09 AMEND: 4970.00, 4970.01, 4970.02, 4970.03, 4970.04, 4970.05, 4970.06, 4907.07, 4970.08, 4970.10, 4970.11, 4970.12, 4970.13, 4970.14, 4970.15, 4970.16, 4970.17, 4970.18, 4970.19, 4970.20, 4970.21, 4970.22, 4970.23, 4970.24, 4970.25, 4970.2  
04/04/03 ADOPT: 17853.0, 17854, 17588.2, 17855.4, 17857.1, 17859.1, 17863.4, 17867.5, 17868.5, 18227 AMEND: 17850, 17852, 17855, 17862, 17862.1, 17863, 17865, 17866, 17867, 17868.1,

17868.2, 17868.3, 17869, 17870, 18103.1  
 REPEAL: 17857, 17858, 17859, 17860, 178

04/04/03 ADOPT: 17211, 17211.1, 17211.2, 17211.3, 17211.4, 17211.5, 17211.6, 17211.7, 17211.8, 17211.9

04/01/03 ADOPT: 17225.710, 17225.717, 1225.720, 17225.725, 17225.750, 17225.755, 17225.760, 17225.770, 17225.795, 17225.800, 17225.820, 18478.5, 18494.5, 18499.1, 18499.2, 18499.3, 18499.4, 18499.5, 18499.6, 18499.7, 18499.8, 18499.9 AMEND: 17225.715, 17350, 173

04/01/03 AMEND: 2090, 2105, 2420, 2425, 2530, 2690 and renumber 2690 to 2850

03/27/03 AMEND: 708

03/26/03 AMEND: 150.02, 150.04

03/26/03 AMEND: 120, 120.3

03/10/03 ADOPT: 632 AMEND: 630

03/10/03 ADOPT: 150.05 AMEND: 150, 150.03

03/06/03 AMEND: 18464, 18465

03/05/03 ADOPT: 18360, 18361, 18362, 18363, 18364, 18365, 18366, 18367, and 18368

03/04/03 ADOPT: 749.2

03/04/03 AMEND: 180.2

03/04/03 ADOPT: 15251

02/27/03 ADOPT: 105.5 AMEND: 195

02/11/03

02/03/03 AMEND: 120.3

01/28/03 ADOPT: 6593, 6593.1, 6593.2, 6593.3, 6593.4, 6593.5, 6593.6, 6593.7, 6593.8, 6593.9, 6593.10, 6593.11

01/21/03 ADOPT: 14120 AMEND: 14101, 14102, 14111, 14112, 14113, 14115, 14116

01/17/03 AMEND: 180.15

01/09/03 ADOPT: 52.00, 52.01, 52.02, 52.03, 52.04, 52.05, 52.09 AMEND: 150.16, 150.17

01/07/03 AMEND: 630

01/03/03 ADOPT: 1.91 AMEND: 1.90, 27.60, 27.82, 28.27, 28.28, 28.29, 28.54, 28.55, 28.58

12/31/02 AMEND: 150.06(a)

12/30/02 AMEND: 150.16

12/30/02 AMEND: 150.06, 150.16

12/30/02 AMEND: 670.2

12/26/02 AMEND: 670.2

**Title 15**

04/15/03 REPEAL: 3901.1, 3901.1.2, 3901.3.1, 3901.5.1, 3901.5.2, 3901.5.3, 3901.5.4, 3901.5.5, 3901.5.6, 3901.7.1, 3901.7.2, 3901.7.3, 3901.9.2, 3901.9.3, 3901.9.5, 3901.9.6, 3901.11.1, 3901.13.1, 3901.13.2, 3901.13.3, 3901.15.1, 3901.15.2, 3901.15.3, 3901.15.4,

04/08/03 AMEND: 3025, 3315

03/18/03 AMEND: 3006

03/06/03 ADOPT: 3375.5 AMEND: 3000, 3375, 3375.1, 3375.2, 3375.3, 3375.4, 3377

02/18/03 ADOPT: 3054.2(e)(2)(H), 3170, 3170.1, 3171, 3172, 3172.1, 3172.2, 3173, 3173.1, 3173.2, 3174, 3175, 3176, 3176.1, 3176.2, 3176.3, 3176.4, 3177, 3178, 3179 AMEND: 3045.2(e)(2)(F)

REPEAL: 3170, 3170.5, 3171, 3172, 3173, 3174, 3175, 3176, 3177, 3178, 3179

01/21/03 AMEND: 3075.2

**Title 16**

04/30/03 ADOPT: 1070.2 AMEND: 1070, 1070.1

04/28/03 AMEND: 3340.1, 3392.1, 3392.2, 3392.3, 3392.5, 3392.6 REPEAL: 3392.4

04/25/03 ADOPT: 1313.01, 1313.02, 1313.03, 1313.04, 1313.05, 1313.06

04/24/03 AMEND: 1320

04/24/03 AMEND: 1444.5

04/21/03 ADOPT: 1399.380, 1399.381, 1399.382, 1399.383, 1399.384, 1399.385, 1399.387, 1399.388, 1399.389, 1399.390 AMEND: 1399.302, 1399.370, 1399.374, 1399.376, 1399.380 REPEAL: 1399.375

04/14/03 AMEND: 109, 111

04/08/03 AMEND: 1017

04/08/03 AMEND: 2070, 2071

04/07/03 AMEND: 1381, 1390, 1397.64

04/07/03 ADOPT: 3504.5

03/13/03 AMEND: 1807.2

03/13/03 AMEND: 404

03/06/03 AMEND: 1393

03/03/03 AMEND: 3340.1

03/03/03 AMEND: 1397.12

02/18/03 AMEND: 87, 89.1

02/13/03 AMEND: 1399.508

02/11/03 AMEND: 1720.1

02/11/03 AMEND: 1388, 1392

02/10/03 AMEND: 1717, 1745

02/06/03 AMEND: 1082.1

01/29/03 AMEND: 2542, 2542.1, 2547, and 2547.1

01/23/03 ADOPT: 1399.153.10 AMEND: 1399.153, 1399.153.1, 1399.153.2, 1399.153.3, 1399.153.4, 1399.153.5, 1399.153.6, 1399.153.7 1399.153.8, 1399.153.9,

01/21/03 ADOPT: 1356.6

01/21/03 AMEND: 3340.42 REPEAL: 3340.42.1

01/15/03 ADOPT: 118.5 AMEND: 109, 116, 117, 121

01/07/03 AMEND: 1399.660, 1399.664

01/06/03 AMEND: 1399.85

12/31/02 ADOPT: 811

**Title 17**

04/21/03 ADOPT: 1968.2, 1968.5  
 04/14/03 ADOPT: 13676 AMEND: 13675  
 03/13/03 ADOPT: 1031.2, and 1031.3  
 03/13/03 AMEND: 94011  
 02/27/03 AMEND: 6020, 6025, 6035, 6050, 6051, 6065, 6070, 6075  
 02/27/03 AMEND: 60201  
 02/25/03 ADOPT: 6903 (b)  
 02/10/03 ADOPT: 30315.10, 30315.20, 30315.22, 30315.23, 30315.24, 30315.33, 30315.34, 30315.35, 30315.36, 30315.50, 30315.51, 30315.52, 30315.60, 30316, 30316.10, 30316.20, 30316.22, 30316.30, 30316.40, 30316.50, 30316.60, 30316.61, 30317, 30317.10, 30317.20, 303  
 02/03/03 ADOPT: 93113  
 01/14/03 AMEND: 50413, 50425, 50753, 50766, 50810, 54355, 57210, 57433, 58033  
 01/14/03 AMEND: 52000, 52082, 52084, 52109, 52170, 52171, 52173, 52175  
 01/09/03 ADOPT: 1029.31, 1029.32, 1029.33, 1029.34, 1029.108, 1029.116, 1029, 124, 1029.132, 1029.133, 1029.154, 1029.195, 1031.7, 1034, 1035.1 AMEND: 1031.4, 1031.5 REPEAL: 1034, 1034.1

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04/28/03 ADOPT: 2303, 3020, 3021, 3301, 3302, 3501, 3502, 4105, 4901, 4902 AMEND: 1124, 1177, 1178, 1248, 1271, 1332, 1335, 1422, 1470, 2250, 2255, 2343, 2431, 2432, 2500, 2570, 4026, 4027 REPEAL: 2344, 2345, 2346  
 04/09/03 AMEND: 24411  
 03/25/03 ADOPT: 19032  
 03/13/03 AMEND: 6001  
 02/04/03 AMEND: 1616  
 02/04/03 ADOPT: 2570 AMEND: 2500, 2538, 2552  
 02/04/03 AMEND: 122.5  
 01/23/03 ADOPT: 1807  
 01/23/03 ADOPT: 17053.36, 10753.37, 23636, 23637  
 01/21/03 AMEND: 25137-2  
 01/15/03 AMEND: 904  
 01/14/03 AMEND: 21(e)(1)(A)  
 01/09/03 AMEND: 23334

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04/25/03 AMEND: 2520, 2530, 2540, 2560  
 02/25/03 AMEND: 1.05, 1.07, 3.08, 3.23, 3.25, 3.26, 3.29, 3.32  
 02/04/03 ADOPT: 2575, 2575.1, 2575.2, 2576, 2576.1, 2577, 2577.1, 2577.2, 2577.3, 2577.4, 2577.5, 2577.6, 2577.7, 2577.8, 2578, 2578.1, 2578.2, 2578.3

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04/08/03 ADOPT: 1237 AMEND: 1231, 1232, 1768, 1769  
 04/01/03 AMEND: 1601, 1602, 1603, 1604, 1605.1, 1605.3, 1606, 1607, 1608

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02/03/03 ADOPT: 3570

**Title 22**

04/29/03 ADOPT: 97170, 97172, 97174, 97176, 97178, 97180, 97182, 97184, 97186, 97188, 97190, 97192, 97194, 97196, 97198  
 04/28/03 ADOPT: 4407.1  
 04/10/03 ADOPT: 51509  
 04/08/03 AMEND: 1256-9, 1253.12-1, 1030(a)-1  
 04/04/03 AMEND: 51319, 51507.2, 51515, 51517, 51521  
 04/03/03 ADOPT: 64806  
 04/01/03 AMEND: 51215.6  
 04/01/03 AMEND: 66262.54, 66264.71, 66264.72, 66265.71, 66265.72, 66270.30  
 04/01/03 AMEND: 926-3, 926-4, 926-5  
 03/26/03 ADOPT: 69000, 69000.5, 69001, 69002, 69003, 69004, 69005, 69006, 69007, 69008, 69009, 69010, 69011, 69012, 69013  
 03/24/03 ADOPT: 110449, 110554, 118020 AMEND: 110385, 12-229, 12-300, 12-302  
 03/20/03 ADOPT: 67391.1  
 02/27/03 ADOPT: 51008.1 AMEND: 51104, 51515, 51520, 51521  
 02/25/03 AMEND: 12705, 12805  
 02/20/03 AMEND: 100177  
 02/19/03 AMEND: 12306  
 02/13/03 ADOPT: 66260.10, 66260.22, 66261.50, 66273.7.1, 66273.7.2, 66273.7.3, 66273.7.4, 66273.7.5, 66273.7.7, 66273.7.8, 66273.7.9, 66273.10, 66273.21, 66273.41 AMEND: 66261.1, 66261.3, 66261.6, 66261.9, 66261.101, 66262.11, 66264.1, 66265.1, 66268.1, 66270.1  
 02/10/03 ADOPT: 69100, 69101, 69102, 69103, 69104, 69105, 69106, 69107  
 02/03/03 ADOPT: 66260.22, 66260.23, 66273.3, 66273.6, 66273.80, 66273.81, 66273.82, 66273.83, 66273.84, 66273.85, 66273.86, 66273.87, 66273.88, 66273.89, 66273.90 AMEND: 66261.9, 66264.1, 66265.1, 66268.1, 66270.1, 66273.1, 66273.4, 66273.8, 66273.9, 66273.13,  
 02/03/03 ADOPT: 51200.01 AMEND: 51000.4, 51000.30, 51000.45, 51000.50, 51000.55, 51200, 51451  
 02/03/03 ADOPT: 1111560



01/27/03 AMEND: 51510, 515110.1, 51510.2, 51510.3, 515111, 51511.5, 515111.6, 51532.3, 51535, 51535.1, 51544, 54501

01/24/03 AMEND: 84001, 84022, 84061, 84063, 84065, 84800, 84801, 84802, 84802.1, 84803, 84804, 84805, 84806, 84807, 84808

01/21/03 AMEND: 51516.1

01/13/03 ADOPT: 100040, 100041, 100031, 100039, 100042, 100043, AMEND: 100031, 100032, 100033, 10034, 100035, 100036, 100038, 100040, 100041 REPEAL: 100037, 100039, 100043

01/07/03 ADOPT: 12203, 12204 AMEND: 12102, 12302, 12304, 12305, 12306, 12401, 12403, 12405, 12501, 12502, 12503, 12504, 12601, 12701, 12709, 12711, 12721, 12808, 12803, 12805, 12821, 12901, 12902, 12903, 14000 REPEAL: 12103, 12104, 12201, 12301

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04/09/03 ADOPT: 89202, 89261, 89319, 89323, 89370, 89372, 89374, 89376, 89388, 89400, 89405 AMEND: 87000, 87001, 87005, 87006, 87007, 87009, 87010, 87010.1, 87010.2, 87017, 87018, 87019, 87019.1, 89221, 87019.2, 87020, 87021, 87024, 87026, 87027, 87028, 87029, 8

04/03/03 ADOPT: 110226, 110242, 110251, 110336, 110337, 110355, 110485, 110547, 110615, 116004, 116018, 116036, 116038, 116042, 116061, 116062, 116063, 116100, 116102, 116104, 116106, 116108, 116110, 116114, 116116, 116118, 116120, 116122, 116124, 116130, 116132,

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04/28/03 ADOPT: 2729, 2729.1

04/14/03 AMEND: 3955

04/01/03 AMEND: 648

04/01/03 AMEND: 2521

03/11/03 ADOPT: 3717

02/25/03 AMEND: 20164, 21110, 21570, 21640, 21685, 21780, 21860, 21865, 21870, 21880

02/25/03 AMEND: 499.1, 499.2, 499.3, 499.4, 499.5, 499.6, 499.6.1, 499.6.2, 499.7, and 499.8

01/13/03 ADOPT: 3963

**Title 28**

02/18/03 ADOPT: 1300.74.30

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04/09/03 AMEND: 19-001, 19-004.412, 19-004.412(a), renumber 19-004.9 to 19-004.42, 19-004.62, 19-005.21, 19-007.1, 20-300.32, 20-300.33

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